2017 Regular Session

HOUSE BILL NO. 231

BY REPRESENTATIVE THIBAUT

1   AN ACT

2   To amend and reenact R.S. 42:1123(22), relative to an exception from ethics laws for

3   transactions involving certain municipalities; to allow an immediate family member

4   and related legal entities to enter into certain transactions with the municipality

5   subject to certain conditions; and to provide for related matters.

6   Be it enacted by the Legislature of Louisiana:

7   Section 1. R.S. 42:1123(22) is hereby amended and reenacted to read as follows:

8   §1123. Exceptions

9   This Part shall not preclude:

10   *   *   *

11   (22)(a) Any mayor or member of a governing authority of a municipality

12   with a population of five thousand or less, <u>or an immediate family member of such</u>

13   <u>a mayor or governing authority member,</u> or legal entity in which ~~he~~ <u>such a mayor,</u>

14   <u>governing authority member, or immediate family member</u> has a controlling interest,

15   from entering into any transaction that is under the supervision or jurisdiction of the

16   municipality.

17   (b) A ~~mayor or member of a governing authority who enters into a~~

18   transaction ~~as provided for in~~ <u>allowed by</u> Subparagraph (a) of this Paragraph ~~shall~~

19   ~~do so under the supervision or jurisdiction of the municipality, provided that~~ <u>may</u>

20   <u>only be entered into if</u> the municipality submits a plan to the Louisiana Board of

21   Ethics for approval and the board approves the plan. The municipality's plan shall

22   be developed in accordance with the following:

1   (i) The elected official involved shall immediately recuse himself from

2   acting in his governmental capacity in matters affecting the transaction and file

3   quarterly affidavits concerning the recusal with the clerk of the municipality and the

4   board. The affidavits shall set out the name and address of the elected official, the

5   name and population of the municipality, and a description of the transactions

6   involving the elected official, his immediate family member, or his or his immediate

7   family member's legal entity that occurred during the preceding quarter. The plan

8   of the municipality shall set out the due dates of the quarterly affidavits.

9   (ii) The plan developed by the municipality shall address how the

10   transactions shall be supervised after ~~an~~ the elected official is recused.

11   (iii) Individual transactions of two hundred fifty dollars or less ~~are not~~

12   ~~required to~~ shall not be subject to the ~~following rules. However, if~~ provisions

13   contained in Items (iv) and (v) of this Subparagraph until such transactions involving

14   a single elected official or a legal entity in which he owns a controlling interest or

15   an immediate family member or a legal entity in which he owns a controlling interest

16   exceed two thousand five hundred dollars in the aggregate within the calendar year;

17   thereafter the provisions contained in Items (iv) and (v) of this Subparagraph shall

18   apply.

19   (iv) For transactions in excess of two hundred fifty dollars, but less than two

20   thousand five hundred dollars, telephone quotations with written confirmation or

21   facsimile quotations shall be solicited from at least three vendors within the

22   municipality, the parish, or within a fifty-mile radius of the municipality. However,

23   in the case of an emergency, no quotations shall be required so long as the elected

24   official recuses himself from the transaction and files an affidavit as required in Item

25   (i) of this Subparagraph within three business days of the occurrence of the

26   transaction. "Emergency" shall be defined in the plan adopted by the municipality

27   and subject to board approval.

28   (v) In the case of a transaction in excess of two hundred fifty dollars but less

29   than two thousand five hundred dollars, if the quotation submitted by the elected

30   official, his immediate family member, or legal entity in which the elected official

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored
are additions.

1   or his immediate family member has a controlling interest is the lowest bid received

2   by the municipality the transaction is allowed. The plan adopted by the municipality

3   and subject to board approval may specify situations in which a quotation submitted

4   by the elected official, his immediate family member, or his or his immediate family

5   member's legal entity may be accepted even if it was not the lowest bid received by

6   the municipality.

7   (vi) An elected official, his immediate family member, or legal entity in

8   which the elected official or his immediate family member has a controlling interest

9   may enter into transactions with the municipality in excess of two thousand five

10   hundred dollars only after written invitations are sent to at least three bona fide

11   qualified bidders, other than the elected official, his immediate family member, or

12   his or his immediate family member's legal entity, and upon specific advance

13   approval by the board. Any such request for approval shall include the details of the

14   proposed transaction, a copy of the written invitation, copies of the bids received in

15   response to the invitation, and the method of recusal developed by the municipality.

16   The plan developed by the municipality shall set out the details of the bid process.

17   *   *   *

18   Section 2. This Act shall become effective upon signature by the governor or, if not

19   signed by the governor, upon expiration of the time for bills to become law without signature

20   by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If

21   vetoed by the governor and subsequently approved by the legislature, this Act shall become

22   effective on the day following such approval.

                    _____
                    SPEAKER OF THE HOUSE OF REPRESENTATIVES

                    _____
                    PRESIDENT OF THE SENATE

                    _____
                    GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: _____