

RÉSUMÉ DIGEST

ACT 463 (HB 724)

2018 Regular Session

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Existing law (R.S. 42:1111(A)) prohibits a public servant from receiving anything of economic value, other than compensation and benefits from the governmental entity to which he is entitled, for the performance of his public duties. Existing law (R.S. 42:1111(C)) prohibits a public employee from receiving compensation from certain sources, including those which have or are seeking a contractual or business or financial relationship with the public employee's agency, those which conduct operations or activities regulated by the public employee's agency, and those which have a substantial economic interest that could be substantially affected by the performance or nonperformance of the public employee's official duties. Existing law (R.S. 42:1111(E)) prohibits a public servant and any legal entity of which the public servant is an officer, director, trustee, partner, or employee, or in which the public employee has a substantial economic interest from receiving or agreeing to receive any thing of economic value for assisting a person in a transaction, or in an appearance in connection with a transaction, with the agency of the public employee.

Existing law (R.S. 42:1112) prohibits a public employee from participating in a transaction involving his governmental entity when the public employee has or specified related persons have a substantial economic interest. Existing law (R.S. 42:1113) generally prohibits a public employee from bidding on or entering into any contract, subcontract, or other transaction under the supervision or jurisdiction of his agency.

New law provides an exception to existing law (R.S. 42:1111(C), 1112, and 1113) for a licensed La. physician who is employed by or has contracted with the La. Dept. of Health to serve in any of the following positions:

- (1) Assistant secretary for the office of public health.
- (2) Medicaid medical director.
- (3) Medical director of the office of behavioral health.
- (4) Physician, Eastern Louisiana Mental Health System, competency restoration program.
- (5) Cancer policy director.

Provides that specified provisions of existing law (R.S. 42:1111(C), 1112, and 1113) do not apply to the physician in the performance of the functions and duties of the position or to the practice of medicine by the physician outside of the performance of such functions and duties. New law provides an additional exception for the physician from the provisions of existing law (R.S. 42:1111(E)) relative to prohibited, compensated transactions with the agency but only to the extent the transaction with the agency (La. Dept. of Health) is limited to and necessary for the physician's medical care of patients.

Existing law (R.S. 42:1121), relative to post service restrictions, prohibits a former agency head, for a period of two years following the termination of his public service as the head of the agency, from assisting another person for compensation in a transaction or in an appearance in connection with a transaction involving that agency or from rendering any service on a contractual basis to or for such agency. Further prohibits a legal entity in which a former public employee is an officer, director, trustee, partner, or employee for a period of two years following termination of his public service from assisting another person for compensation in a transaction or in an appearance in connection with a transaction in which such public employee at any time participated during his public service and involving his former agency. Prohibits a former public employee from sharing in any compensation received by another person for assistance which such former public employee is prohibited from rendering. Provides exceptions.

New law provides that existing law (R.S. 42:1121) does not apply to a licensed La. physician who is employed by or has contracted with the La. Dept. of Health to serve in the position of physician, Eastern La. Mental Health System, competency restoration program.

New law provides that prior to being employed by or contracting with the La. Dept. of Health or an agency thereof to serve in a position listed in new law, a licensed La. physician shall disclose to the secretary of the La. Dept. of Health any possible conflicts of interest that could arise in performing the functions and duties of the position, including outside employment and business interests. Provides that such disclosures shall be written and a public record.

Existing law (R.S. 42:1114) further requires each public servant and each member of his immediate family who derives any thing of economic value, directly, through any transaction involving the agency of such public servant or who derives any thing of economic value of which he may be reasonably expected to know through a person which (1) is regulated by the agency of such public servant, or (2) has bid on or entered into or is in any way financially interested in any contract, subcontract, or any transaction under the supervision or jurisdiction of the agency of such public servant to disclose to the Board of Ethics by May 15 of each year the following information for the previous calendar year: (a) the amount of income or value of any thing of economic value derived; (b) the nature of the business activity; (c) the name and address, and relationship to the public servant, if applicable; and (d) the name and business address of the legal entity, if applicable.

New law specifies that the compensation paid by the La. Dept. of Health to each physician serving in the specified positions shall be commensurate with the number of hours worked in the position. Requires each such physician, except a physician serving the Eastern La. Mental Health System, competency restoration program, to work full-time. Requires the La. Dept. of Health to submit a quarterly report to the legislature containing the name of the physician, the position, the number of hours worked during the previous quarter, and the amount of compensation received during the previous quarter.

Effective August 1, 2018.

(Adds R.S. 42:1123.2)