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## DIGEST

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HB 710 Original

2024 Regular Session

Wright

**Abstract:** Extends Tier 1 personal financial disclosure requirements to the members of the Board of Ethics and the ethics administrator.

Present law (Code of Governmental Ethics–R.S. 42:1124, 1124.2, 1124.2.1, and 1124.3-Tiers 1, 2, 2.1, and 3) requires all elected officials and certain other specified officials and board and commission members to file a financial disclosure statement by May 15 of each year during which the person holds public office or position and by May 15 of the year following the termination of the holding of such office.

Present law requires the members of the Board of Ethics and the ethics administrator to file a Tier 2 disclosure as well as an additional disclosure. Present law requires that in addition to the information required to be included in the statement pursuant to present law (R.S. 42:1124.2 -Tier 2), each member of the Board of Ethics and the ethics administrator shall include the following:

- (1) The name, address, brief description of, and nature of association with and the amount of interest in each business in which the individual or spouse is a director, officer, owner, partner, member, or trustee, or in which the individual or spouse owns any interest, excluding a publicly traded corporation.
- (2) The name, address, type, and amount of each source of income received by the individual or spouse, or by any business in which the individual or spouse owns an interest, excluding a publicly traded corporation, which is received from the state or any political subdivision as defined in Article VI of the Constitution of La.
- (3) The name of each governmental entity from whom the individual or his spouse derives any thing of economic value through any contract or subcontract involving a governmental entity, including the La. Insurance Guaranty Assoc., the La. Health Insurance Guaranty Assoc., La. Citizens Property Insurance Corp., the Property Insurance Association of La., and any other quasi public entity; the nature of the contract or subcontract; and the value of thing of economic value derived.

Present law (Tier 2) provides that when an amount is required to be disclosed that is not a specific dollar amount, it is sufficient to report by the following categories: (1) Category I, less than \$5,000; (2) Category II, \$5,000-\$24,999; (3) Category III, \$25,000-\$100,000; and (4) Category IV, more than \$100,000.

Proposed law requires the members of the Board of Ethics and the ethics administrator to file a Tier 1 disclosure as well as the additional disclosures pursuant to present law. Tier 1 disclosures require more detail than Tier 2 disclosures. Present law (R.S. 42:1124-Tier 1) requires statewide elected officials and certain executive branch officials to annually file a financial statement that includes certain specific information concerning income, employment, property, business associations, investments, liabilities, and transactions. In addition to the same information required by Tier 2 disclosures, Tier 1 disclosures require the filer for each source of income in excess of \$1,000 received by the filer or spouse or business, to include specific information about the source of the income and the nature of the services rendered therefor. However, relative to income derived from professional or consulting services, when the disclosure of the name or address of any source of income would be prohibited by law or by a professional code, allows the filer to only include the number of clients and amount of income for each of several specified applicable industry types. Tier 1 additionally requires reporting of any liability resulting from consumer credit transactions. Further Tier 1 requires that when an amount is required to be disclosed that is not a specific dollar amount, the categories provide greater detail than the Tier 2 categories. The Tier 1 categories are: (1) Category I, less than \$5,000; (2) Category II, \$5,000-\$24,999; (3) Category III, \$25,000-49,999; (4) Category IV, \$50,000-\$99,000; (5) Category V, \$100,000-\$199,999; (6) Category VI, \$200,000 or more.

(Amends R.S. 42:1124.5(intro. para.); Adds R.S. 42:1124(A)(12); Repeals 1124.2(A)(3))