

CONFERENCE COMMITTEE REPORT

HB 426

2024 Regular Session

Melerine

May 30, 2024

To the Honorable Speaker and Members of the House of Representatives and the Honorable President and Members of the Senate.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning House Bill No. 426 by Representative Melerine, recommend the following concerning the Engrossed bill:

- 1. That the set of Senate Committee Amendments by Senate and Governmental Affairs (#3227) be adopted.
- 2. That the set of Senate Floor Amendments by Senator Abraham (#3655) be adopted.
- 3. That the set of Senate Floor Amendments by Senator Price (#3870) be rejected.
- 4. That the following amendments be adopted:

AMENDMENT NO. 1

On page 1, line 2, change "R.S. 42:1123(41)," to "R.S. 42:1111(C)(6) and 1123(41),"

AMENDMENT NO. 2

On page 1, line 2, after "exception" insert "to allow the continued employment of a governing authority member by a person with or seeking business or financial relationships with the member's governmental entity under specified circumstances; to provide an exception"

AMENDMENT NO. 3

On page 1, line 6, change "R.S. 42:1123(41) is" to "R.S. 42:1111(C)(6) and 1123(41) are"

AMENDMENT NO. 4

On page 1, between lines 6 and 7, insert the following:

"§1111. Payment from nonpublic sources
 * * *
 C. Payments for nonpublic service.
 * * *

(6) Notwithstanding the provisions of Subparagraph (2)(d) of this Subsection, a member of a school board or parish or municipal governing authority may continue employment with a person who has or is seeking a contractual or other business or financial relationship with his governmental entity or an agency under the jurisdiction or supervision of his governmental entity provided all of the following conditions are met:

- (a) The member is a salaried or wage-earning employee of his employer.
- (b) The compensation of the member is substantially unaffected by his employer's contractual or other business or financial relationship with his governmental entity or other agency under the jurisdiction or supervision of his governmental entity.
- (c) The member is not an officer, director, trustee, or partner of his employer.

(d) The member does not own an interest which exceeds one percent of the legal entity which employs him.

(e) The member does not participate in any transaction with his governmental entity or agency under the jurisdiction or supervision of his governmental entity, including recusing himself from any vote, involving his employer.

(f) The member complies with the disclosure requirements in R.S. 42:1114.

* * *

Respectfully submitted,

Representative Michael Melerine

Senator Mark Abraham

Representative Gerald "Beau" Beaulieu, IV

Senator Cleo Fields

Representative Rhonda Gaye Butler

Senator Edward J. "Ed" Price

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

CONFERENCE COMMITTEE REPORT DIGEST

HB 426

2024 Regular Session

Melerine

Keyword and oneliner of the instrument as it left the House

ETHICS/CODE: Provides exceptions to the Code of Governmental Ethics

Report adopts Senate amendments to:

1. Remove requirement that the academic tutoring arrangement between a teacher and a student, including use of school facilities, is approved by the employing school board in accordance with rules and procedures established by BESE.
2. Add coaches and athletic training to proposed law exception to allow a teacher, coach, or other educational professional to provide academic tutoring or athletic training services for compensation to students who attend the school at which the teacher, coach, or other educational professional is assigned and for the waiver of any usage fees associated with the use of school facilities.
3. Make proposed law effective upon signature of the governor.

Report rejects Senate amendments which would have:

1. Added an ethics exception to allow a member of an elected body who is an employee of a prohibited source to receive compensation from the prohibited source if specified conditions applied.

Report amends the bill to:

1. Add an ethics exception to allow a member who is an employee of a prohibited source to continue his employment with a person who has or is seeking a contractual or other business or financial relationship with his governmental entity or agency thereof if specified conditions apply.

Digest of the bill as proposed by the Conference Committee

Present law (ethics code–R.S. 42:1111) generally prohibits a public servant from receiving compensation from a source other than his governmental entity for the performance of duties and responsibilities of his office or position or from receiving any thing of economic value for any service, the subject matter of which is devoted substantially to the responsibilities, programs, or operations of the agency of the public servant and in which the public servant has participated. Further prohibits a public servant from receiving any thing of economic value for the performance of services that are performed for or compensated by any person from whom the public servant is prohibited by present law (R.S. 42:1115(A)(1) or (B) from receiving a gift. Present law (ethics code–R.S. 42:1113) generally prohibits a public servant and related persons from engaging in any transaction under the supervision and jurisdiction of the agency of the public servant. Present law (ethics code-R.S. 42:1112) further prohibits a public servant from participating in transactions in which the public servant or specified related persons have a substantial economic interest. Provides exceptions.

Proposed law provides an exception to allow a teacher, coach, or other educational professional to provide academic tutoring or athletic training services for compensation to students who attend the school at which the teacher, coach, or other educational professional is assigned and for the waiver of any usage fees associated with the use of school facilities for these purposes.

Proposed law provides an additional exception to allow a member of a school board or parish or municipal governing authority who is an employee of a person who has or is seeking a contractual or other business or financial relationship with his governmental entity or an agency under the jurisdiction or supervision of his governmental entity if the member is a salaried or wage-earning employee of his employer; the member's compensation is substantially unaffected by his employer's relationship with his governmental entity or agency thereof; the member is not an officer, director, trustee, or partner of his employer; the member does not own an interest which exceeds one percent of the legal entity which employs him; the member does not participate in any transaction with his governmental entity or agency thereof involving his employer; and the member complies with the disclosure requirements in present law (ethics code- R.S. 42:1114)

Effective upon signature of governor or lapse of time for gubernatorial action.

(Adds R.S. 42:1111(C)(6) and 1123(41))