
DIGEST

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Nancy Landry

HB No. 498

Abstract: Prohibits persons who have or who are seeking to have private correctional facility businesses and related persons from giving campaign contributions in support of or opposition to certain candidates for governor, legislator, or sheriff or officials who hold those positions.

Proposed law prohibits persons seeking to have a contract with the state or any political subdivision of the state or any agency or official thereof to house any person to be incarcerated under the laws of this state or any parish or municipal government and related persons from making a campaign contribution, in-kind contribution, loan, or transfer of funds to the governor, a legislator, a sheriff; a candidate for the office of governor, state legislator, or sheriff; any political committee of such an official or candidate; or any other political committee which supports or opposes such an official or candidate.

Proposed law makes such prohibitions applicable to:

- (1) Any person who has or who is seeking to have a contract with any agency of state or local government or any political subdivision of the state or office or officer thereof to house any person to be incarcerated under the laws of this state or of any parish or municipal government.
- (2) Any person who has an interest in any person included in (1). Defines "interest" as ownership by a legal entity, or by an individual or his spouse, either individually or collectively, of an interest which exceeds 10%.
- (3) Any holding, intermediary, or subsidiary company of any person included in (1).
- (4) Any officer, director, trustee, partner, or senior management level employee of any person included in (1), (2), or (3).
- (5) The spouse and minor children of any person in (1), (2), (3), or (4).

Proposed law specifies that it shall not prohibit an expenditure by a candidate for his own campaign or a contribution, loan, or transfer of funds by a candidate to his own political committee.

Proposed law provides that any person making a contribution, loan, or transfer of funds in

violation of these prohibitions shall be assessed a penalty of not more than \$5,000 or the amount of the contribution, whichever is greater, except provides that the penalty for a knowing and willful violation shall be not more than \$10,000 or 200% of the violation, whichever is greater. Defines "knowing and willful", for such purposes, as conduct which could have been avoided through the exercise of due diligence. Provides that the civil penalties otherwise applicable to the Campaign Finance Disclosure Act shall not apply to violations of these provisions, but that criminal penalties (up to \$500 and six months in jail) shall apply to any person violating such provisions. Provides that enforcement shall be in the manner otherwise provided by the Campaign Finance Disclosure Act. Further provides that any violation of proposed law by any person renders the violator unsuitable and ineligible to bid on or enter into any contract with the state, any political subdivision of the state, or any officer or official thereof for a period of five years from the violation. Requires the supervisory committee to notify the division of administration and the legislative auditor of each violation and requires the supervisory committee, the division, and the legislative auditor to post a current list of persons that are unsuitable and ineligible to bid on or enter into any contract on their respective websites.

Proposed law requires that a candidate or committee which has been notified by the supervisory committee that it has accepted a contribution, transfer of funds, or loan which was made in violation of this prohibition, shall pay the amount to the state.

(Adds R.S. 18:1505.2(U))