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 DIGEST

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Morrish

SB No. 61

Present law (ethics code) provides that no public servant and no legal entity in which the public servant exercises control or owns an interest in excess of 25% will receive any thing of economic value for or in consideration of services rendered, or to be rendered, to or for any person who has or is seeking to obtain a contractual or other business or financial relationships with the public servant's agency. Present law defines "public servant" as a public employee or an elected official.

Proposed law provides an exception to allow a member of a governing authority of a municipality with a population of 5,000 or less according to the latest decennial census, or a legal entity in which the member exercises control or owns an interest in excess of 25% to perform bona fide compensated services for any person who has or is seeking to obtain a contractual or other business or financial relationship with the municipality subject to the following requirements:

- (1) The governing authority member recuses himself on all matters involving the municipality and the person.
- (2) The terms and conditions of the services performed by the governing authority member are customary and reasonable and the compensation received by the governing authority member is commensurate with the level of the service provided.

(Adds R.S. 42:1123(43))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Senate and Governmental Affairs to the original bill

1. Extends the prohibition on contracting to the executive director or director of the State Board of Elementary and Secondary Education.
2. Changes the exception to the Code of Ethics to allow certain members of a governing authority of a municipality in which he has a controlling interest to render compensated services to a person which has entered into a transaction with the municipality.

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on House and Governmental Affairs to the engrossed bill.

1. Removes proposed provisions to prohibit the executive director or director of the State Board of Elementary and Secondary Education, his spouse or related legal entities from entering into a contract with the state.
2. Removes provisions to allow a member of a governing authority of a municipality with a population of 5,000 or less or legal entity in which he has a controlling interest to render compensated services to a person or entity which has entered into a transaction with the municipality.
3. Provides instead that a member of a governing authority of a municipality with a population of 5,000 or less or legal entities in which the member has a specified interest may perform bona fide compensated services for persons who have or

are seeking a contractual or other relationship with the municipality, subject to certain requirements.