

Regular Session, 2014

HOUSE BILL NO. 277

BY REPRESENTATIVE GEYMANN

ETHICS: Provides for additional ethical standards for members of the State Board of Elementary and Secondary Education, the state superintendent of education, and related persons

1 AN ACT

2 To enact R.S. 42:1118.2, relative to the Code of Governmental Ethics; to provide for
3 additional ethical standards for members and former members of the State Board of
4 Elementary and Secondary Education, the state superintendent of education and the
5 former state superintendent of education, and related persons; provides for penalties;
6 and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 42:1118.2 is hereby enacted to read as follows:

9 §1118.2. Additional ethical standards; State Board of Elementary and Secondary
10 Education; state superintendent of education; related persons

11 A. If any provision of this Section conflicts with any other provision of this
12 Part, the more restrictive provision shall govern.

13 B.(1) No member of the State Board of Elementary and Secondary
14 Education, member of his immediate family, or legal entity in which such a person
15 has a substantial economic interest shall bid on or enter into or be in any way
16 interested in any contract, subcontract, or other transaction that is under the
17 supervision or jurisdiction of the State Board of Elementary and Secondary
18 Education or the Department of Education. This Subsection shall not be construed
19 to prohibit the employment of any member of the State Board of Elementary and

1 Secondary Education or any member of the immediate family of a member of the
2 State Board of Elementary and Secondary Education by a nonpublic school.

3 (2) No state superintendent of education, member of his immediate family,
4 or legal entity in which such a person has a substantial economic interest shall bid
5 on or enter into or be in any way interested in any contract, subcontract, or other
6 transaction that is under the supervision or jurisdiction of the State Board of
7 Elementary and Secondary Education or the Department of Education.

8 C. No immediate family member of the state superintendent of education or
9 of a member of the State Board of Elementary and Secondary Education and no legal
10 entity of which such an immediate family member is an officer, director, trustee,
11 partner, or employee, or in which an immediate family member has a substantial
12 economic interest, shall receive or agree to receive any thing of economic value for
13 assisting a person in a transaction, or in an appearance in connection with a
14 transaction, with the State Board of Elementary and Secondary Education or the
15 Department of Education.

16 D.(1) No member of the State Board of Elementary and Secondary
17 Education nor the state superintendent of education shall participate in a transaction
18 in which he has a personal substantial economic interest involving the State Board
19 of Elementary and Secondary Education or the Department of Education.

20 (2) No member of the State Board of Elementary and Secondary Education
21 nor the state superintendent of education shall participate in a transaction involving
22 the State Board of Elementary and Secondary Education or the Department of
23 Education in which any of the following persons has a substantial economic interest:

24 (a) Any member of his immediate family.

25 (b) Any person in which he has a substantial economic interest.

26 (c) Any person of which he is a member or an officer, director, trustee,
27 partner, or employee.

28 (d) Any person of which his immediate family member is a member or an
29 officer, director, trustee, partner, or employee.

1 (e) Any person with whom he is negotiating or has an arrangement
2 concerning prospective employment.

3 (f) Any person who is a party to an existing contract with such public servant
4 or his immediate family member or with any legal entity in which the public servant
5 or his immediate family member owns a controlling interest.

6 E. No former member of the State Board of Elementary and Secondary
7 Education nor former state superintendent of education shall, for compensation, for
8 a period of two years following the termination of his public service in such position
9 engage in a transaction, assist another person in a transaction, or make an
10 appearance in connection with a transaction involving the State Board of Elementary
11 and Secondary Education or the Department of Education or render any service on
12 a contractual basis to or for the State Board of Elementary and Secondary Education
13 or the Department of Education.

14 F. No legal entity in which a former member of the State Board of
15 Elementary and Secondary Education or former state superintendent of education is
16 an officer, director, trustee, partner, or employee shall, for compensation, for a
17 period of two years following the termination of his public service in such position,
18 engage in a transaction, assist another person with a transaction, or make an
19 appearance in connection with a transaction involving the State Board of Elementary
20 and Secondary Education or the Department of Education.

21 G. No member of the State Board of Elementary and Secondary Education,
22 state superintendent of education, former member of the State Board of Elementary
23 and Secondary Education, or former state superintendent of education shall share in
24 any thing of economic value received by another person for any activity, action, or
25 assistance which such public servant or former public servant is prohibited from
26 performing by this Part.

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)]

Geymann

HB No. 277

Abstract: Provides for additional ethical standards for members and former members of the State Board of Elementary and Secondary Education, the state superintendent of education and the former state superintendent of education, and immediate family members of such persons and specified related legal entities.

Present law (Code of Governmental Ethics) provides for ethical standards for elected officials, public employees, and certain other persons including prohibited conflicts of interest involving payments from nonpublic sources, prohibited participation in transactions, prohibited contractual arrangements, prohibited gifts, abuse of office, nepotism, financial disclosure, and post public service restrictions. Provides definitions and exceptions.

Proposed law retains present law, and proposed law further provides for additional ethical standards applicable to members and former members of the State Board of Elementary and Secondary Education (BESE), the state superintendent of education and the former state superintendent of education, and immediate family members and specified legal entities as follows:

- (1) Prohibits a member of BESE or member of his immediate family, the state superintendent of education or member of his immediate family, or legal entity in which such a person has a substantial economic interest from bidding on, entering into, or being in any way interested in any contract, subcontract, or other transaction which is under the supervision or jurisdiction of BESE or the Dept. of Education. Specifies that this proposed law prohibition shall not be construed to prohibit employment of a member of BESE or an immediate family member of a BESE member by a nonpublic school.
- (2) Prohibits an immediate family member of the state superintendent of education or of a BESE member and any legal entity of which such an immediate family member is an officer, director, trustee, partner, or employee, or in which an immediate family member 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 BESE or the Dept. of Education.
- (3) Prohibits a member of BESE and the state superintendent of education from participating in a transaction in which he has a personal substantial economic interest involving BESE or the Dept. of Education.
- (4) Prohibits a member of BESE and the state superintendent of education from participating in a transaction involving BESE or the Dept. of Education in which any of the following persons has a substantial economic interest: (a) any member of his immediate family; (b) any person in which he has a substantial economic interest; (c) any person of which he is a member or an officer, director, trustee, partner, or employee; (d) any person of which his immediate family member is a member or an officer, director, trustee, partner, or employee; (e) any person with whom he is negotiating or has an arrangement concerning prospective employment; and (f) any person who is a party to an existing contract with such public servant or his immediate family member or with any legal entity in which the public servant or his immediate family member owns a controlling interest (defined by present law as any ownership in any legal entity or beneficial interest in a trust, held by or on behalf of

an individual or a member of his immediate family, either individually or collectively, which exceeds 25% of that legal entity).

- (5) Prohibits a former member of BESE or former state superintendent of education for a period of two years following the termination of his public service in such position, from performing the following activities for compensation: engaging in a transaction, assisting another person in a transaction, or making an appearance in connection with a transaction involving BESE or the Dept. of Education or from rendering any service on a contractual basis to or for BESE or the Dept. of Education.
- (6) Prohibits a legal entity in which a former member of BESE or former state superintendent of education is an officer, director, trustee, partner, or employee, for compensation, for a period of two years following the termination of the member's or superintendent's public service in such position, from engaging in a transaction, assisting another person with a transaction, or making an appearance in connection with a transaction involving the BESE or the Dept. of Education.
- (7) Prohibits a BESE member, former BESE member, state superintendent, and former state superintendent of education from sharing in any thing of economic value received by another person for any activity, action, or assistance which such public servant or former public servant is prohibited from performing by present law and proposed law (Code of Governmental Ethics).

Proposed law provides that if any provision of proposed law conflicts with any other provision of present law (Code of Governmental Ethics), the more restrictive provision shall govern.

Violations of proposed law would be subject to the penalties in present law for violation of the ethics code and certain other laws within the ethics board's jurisdiction. For public servants and other persons those penalties include censure and/or a fine of up to \$10,000 per violation and for public employees and other persons include removal, suspension, reduction in pay, or demotion and/or a fine of up to \$10,000 per violation.

(Adds R.S. 42:1118.2)

Summary of Amendments Adopted by House

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

1. Specifies that the proposed prohibition on certain transactions under the supervision or jurisdiction of BESE or the Dept. of Education shall not be construed to prohibit employment of BESE members or immediate family members of BESE members by a nonpublic school.

House Floor Amendments to the engrossed bill.

1. Changes the proposed post service prohibitions from applying for a period of four years following termination of public service to applying for a period of two years following termination of public service.
2. In the post service prohibitions, provides that the prohibitions apply only when prohibited activities are performed for compensation.