2016 Regular Session

HOUSE BILL NO. 587

BY REPRESENTATIVE JAY MORRIS

ETHICS/FINANCIAL DISCLOS: Provides relative to annual financial disclosure by legislators

AN ACT

To amend and reenact R.S. 42:1124.2(H), relative to personal financial disclosure statements of legislators; to require additional information to be disclosed by legislators; to provide for penalties; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 42:1124.2(H) is hereby amended and reenacted to read as follows:

§1124.2. Financial disclosure; certain elected officials; members of certain boards and commissions; ethics administrator

* * *

H. Relative to members of the legislature~~, the~~ :

(1) Each member of the legislature shall include on the statement required by this Section the following information for the preceding calendar year:

(a)(i) The amount of income received by a legal entity in which a legislator or his spouse has a controlling interest for services performed for a person that has a contract with state government as that term is defined in R.S. 42:1113(D) or for a nonprofit entity created by law.

(ii) The amount of income received by a legal entity in which a legislator or his spouse has a controlling interest for any political advisory or consulting services performed for a person.

(iii) The name and address of the person from whom the income disclosed in Items (i) and (ii) of this Subparagraph was received and a brief description of the services performed.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

(b)(i) The amount of income received by the legislator or his spouse or a legal entity in which the legislator or his spouse is an officer, director, trustee, partner, or employee for services performed for a person that has a contract with state government as that term is defined in R.S. 42:1113(D).

(ii) The amount of income received by the legislator or his spouse or a legal entity in which the legislator or his spouse is an officer, director, trustee, partner, or employee for political advisory or consulting services performed for a person.

(iii) The name and address of the person from whom the income disclosed in Items (i) and (ii) of this Subparagraph was received and a brief description of the services performed.

(c)(i) If not otherwise disclosed pursuant to Subparagraphs (a) or (b) of this Paragraph, the amount of income received by the legislator or his spouse or a legal entity in which the legislator or his spouse is an officer, director, trustee, partner, or employee for services performed for a nonprofit entity created by law.

(ii) The name and address of the nonprofit entity from whom the income disclosed in Item (i) of this Subparagraph was received and a brief description of the services performed.

(d) The provisions of this Paragraph shall not apply to any income received by a legislator or his spouse or a legal entity in which the legislator or his spouse is an officer, director, trustee, partner, or employee, if the only services for which the income was received were professional services performed by a person who is licensed or certified to perform such services by the appropriate entity which regulates the profession of such person in accordance with law.

(2) The Board of Ethics shall promptly notify the clerical officer of the house of the legislature to which a member is elected of all violations of the provisions of this Section by a member.

* * *

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

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)]

HB 587 Original 2016 Regular Session Jay Morris

Abstract: Requires legislators to report additional information on the Tier 2 personal financial disclosure.

Present law (R.S. 42:1124.2–Tier 2) requires the filing of certain information by specified officials including legislators by May 15th of each year during which the person holds public office or position and by May 15th of the year following the termination of the holding of such office. Present law generally requires the Tier 2 financial statement to contain specified information regarding income, property and transactions, including: (1) source and amount of income from employers, (2) specified information, including an aggregate amount of income on businesses from which the individual or his spouse receive income, and (3) a description and amounts of all other income exceeding $1,000. Present law requires each such statement to include the specified information for the entire preceding calendar year, with a limited exception. Present law provides, with certain exceptions, for disclosure of amounts by categories. Categories for Tier 2 are: Category I, less than $5,000; Category II, $5,000-$24,999; Category III, $25,000-$100,000; and Category IV, more than $100,000.

Proposed law requires each member of the legislature to include on the Tier 2 statement the following additional information for the preceding calendar year:

(1) The amount of income received by a legal entity in which a legislator or his spouse has a controlling interest for political advisory or consulting services; or for any services performed for a person that has a contract with state government or for a nonprofit entity created by law, including the name and address of the person from whom the income was received and a brief description of the services performed.

(2) The amount of income received by the legislator or his spouse or a legal entity in which the legislator or his spouse is an officer, director, trustee, partner, or employee for political advisory or consulting services; or for services performed for a person that has a contract with state government, including the name and address of the person from whom the income was received and a brief description of the services performed.

(3) If not otherwise disclosed above, the amount of income received by the legislator or his spouse or a legal entity in which the legislator or his spouse is an officer, director, trustee, partner, or employee for services performed for a nonprofit entity created by law, including the name and address of the nonprofit entity from whom the income disclosed was received and a brief description of the services performed.

Proposed law excludes any income received by a legislator or his spouse or a legal entity in which the legislator or his spouse is an owner, officer, director, trustee, partner, or employee, if the only services for which the income was received were professional services performed by a person who is licensed or certified to perform such services by the appropriate entity which regulates the profession of such person in accordance with law.

Present law requires the Board of Ethics to promptly notify the clerical officer of the house of the legislature to which a member is elected of all violations of the provisions of present law. Proposed law retains present law.

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.

Present law provides that any person who fails to file or fails to timely file the financial statement, or who fails to disclose or fails to accurately disclose information required to be included in the financial statement shall be subject to penalties as provided in present law (R.S. 42:1124.4). Present law (R.S. 42:1124.4) provides that if a person fails to timely file a financial disclosure statement or if a person omits required information, or the ethics board has reason to believe inaccurate information is included on the statement, the board shall send the person a notice of delinquency by certified mail. Present law provides that the person has 7 business days from the receipt of the notice to respond either by filing the statement, disclosing or accurately disclosing the information, or filing an answer contesting the allegation. Present law provides that the failure to respond by the deadline contained in the notice of delinquency shall result in the imposition of penalties ($100 per day up to a maximum of $2,500 for Tier 2 filers).

(Amends R.S. 42:1124.2(H))

CODING: Words in ~~struck through~~ type are deletions from existing law; words underscored are additions.