SLS 12RS-543 REENGROSSED

Regular Session, 2012

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SENATE BILL NO. 226

BY SENATOR MORRISH

ETHICS. Provides exceptions to the prohibition of a public servant from doing business with a person who has a business relationship with the agency of the public servant under certain circumstances. (8/1/12)

AN ACT

2	To enact R.S. 42:1123(42), relative to the code of governmental ethics; to provide for an
3	exception to the prohibition of a public servant from doing business with a person
4	who has a business relationship with the agency of the public servant under certain
5	circumstances; and to provide for related matters.
6	Be it enacted by the Legislature of Louisiana:
7	Section 1. R.S. 42:1123(42) is hereby enacted to read as follows:
8	§1123. Exceptions
9	This Part shall not preclude:
10	* * *
11	(42) Any member of a governing authority of a municipality with a
12	population of five thousand or less according to the latest federal decennial
13	census, or legal entity in which he has a controlling interest, from entering into
14	any transaction with or accepting anything of economic value from a person or
15	entity which has entered into a transaction with the municipality, or a legal
16	entity in which an elected official of a parish governing authority of a parish

with a population of twenty-three thousand or less according to the latest

federal decennial census has a controlling interest from bidding on or contracting with a public utility company if the only relationship the governing authority has with the public utility company is a standard, non-exclusive franchise agreement.

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The original instrument was prepared by Lauren Bailey. The following digest, which does not constitute a part of the legislative instrument, was prepared by Michelle Broussard-Johnson.

## **DIGEST**

Morrish (SB 226)

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<u>Present law</u> prohibits a public servant or a legal entity in which he exercises control or has an interest in excess of 25% from accepting anything of economic value, for services rendered, from a person who has a business relationship with the agency of the public servant.

<u>Proposed law</u> provides exceptions to <u>present law</u> for members of a governing authority of a municipality with a population of 5000 or less, and for a legal entity in which an elected official of a parish governing authority of a parish with a population of 23,000 or less according to the latest federal decennial census has a controlling interest from bidding on or contracting with a public utility company if the only relationship the governing authority has with the public utility company is a standard, nonexclusive franchise agreement.

Effective August 1, 2012.

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

## Summary of Amendments Adopted by Senate

<u>Committee Amendments Proposed by Senate Committee on Senate and Governmental Affairs to the original bill</u>

1. Deletes "mayor" from the exception.

## Senate Floor Amendments to engrossed bill

1. Adds an exception allowing a legal entity in which a certain elected official has controlling interest to bid on or contract with a public utility company, as long as the only relationship the governing authority has with the public utility is a standard, nonexclusive franchise agreement.