

2015 Regular Session

HOUSE BILL NO. 626

BY REPRESENTATIVE IVEY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

ETHICS: Provides relative to conflicts of interest for members of the State Board of Elementary and Secondary Education and the Superintendent of Education

1 AN ACT

2 To enact R.S. 42:1111.1, 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; to provide for
6 penalties; and to provide for related matters.

7 Be it enacted by the Legislature of Louisiana:

8 Section 1. R.S. 42:1111.1 is hereby enacted to read as follows:

9 §1111.1. 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, excluding an ownership interest of less than five
16 percent in a publicly traded corporation, shall bid on or enter into or be in any way
17 interested in any contract, subcontract, or other transaction that is under the
18 supervision or jurisdiction of the State Board of Elementary and Secondary
19 Education or the Department of Education.

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

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

7 E. No member of the State Board of Elementary and Secondary Education
8 nor the state superintendent of education shall be a member of or serve in any
9 capacity in a nongovernmental organization if such service or membership requires
10 adherence to or adoption of educational standards, conditions, or policies.

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

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

26 H. No member of the State Board of Elementary and Secondary Education,
27 state superintendent of education, former member of the State Board of Elementary
28 and Secondary Education, or former state superintendent of education shall share in
29 any thing of economic value received by another person for any activity, action, or

1 assistance which such public servant or former public servant is prohibited from
2 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)]

HB 626 Original

2015 Regular Session

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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, excluding an ownership interest of less than 5% in a publicly traded corporation, 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.
- (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, excluding an ownership interest of less than 5% in a publicly traded corporation, 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 an interest, excluding an ownership interest of less than 5% in a publicly traded corporation.
- (5) Prohibits a member of BESE and the state superintendent of education from being a member of or serving in any capacity in an nongovernmental organization if such service or membership requires adherence to or adoption of educational standards, conditions, or policies.
 - (6) 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 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.
 - (7) 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 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.
 - (8) 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 including removal, suspension, reduction in pay, or demotion and/or a fine of up to \$10,000 per violation.

(Adds R.S. 42:1111.1)