

*To: Brad Cooper*

**BGR**

**Bureau of Governmental Research  
New Orleans**

**PAR**

**Public Affairs Research Council  
Baton Rouge**

**ETHICS REFORM UPDATE**

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**CONTACT: Jim Brandt, BGR  
Executive Director**

**Ty Keller, PAR  
Interim President**

A key administration bill to create a strong, single ethics board would implement many of the major reforms proposed in a recent joint report by the Bureau of Governmental Research (BGR) and the Public Affairs Research Council (PAR). The report, Governmental Ethics Laws in Louisiana: Public Trust or Private Gain?, suggested more than 50 changes in the state's laws on ethics, campaign finance, personal financial disclosure, lobbying and ethics for gambling regulators.

The single ethics board bill (SB 5) passed out of the Senate last week and awaits action by the House. The new board, which would replace two existing boards, would be able to initiate investigations of suspected wrongdoing by elected officials instead of waiting for a sworn complaint. The board could collect penalties and late fees without having to sue in court. And, the board would be given full responsibility for overseeing lobbyists and ethics for gambling regulators.

The proposal requires the new board to develop a computerized data management system that would allow reports to be filed electronically. Such a system would give

225 Baronne Street, Suite 600  
New Orleans, LA 70112  
Telephone: 504-525-4152  
Telefax: 504-525-4153

Post Office Box 14776  
Baton Rouge, LA 70898-4776  
Telephone: 504-926-8414  
Telefax: 504-926-8417

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citizens access to campaign finance reports and lobbyist spending data by computer. The governor's budget is recommending additional funding to strengthen ethics administration.

Senator Jay Dardenne, the governor's floor leader, is the lead author on a package of bills that includes the administration's ethics, campaign finance, lobbying and related proposals. Many of these are based on the BGR/PAR recommendations, although some take a slightly different approach to achieve the same objective. Instead of limiting food and drink for legislators, for example, one bill would require lobbyists to report any spending over \$10.

The special session call allowed legislators to address many of the BGR/PAR proposals to improve ethics administration. Unfortunately, however, the call omitted from consideration a number of major BGR/PAR recommendations to strengthen conflict-of-interest provisions. For example, the call does not allow bills to ban legislators entirely from state or local government contracts, strengthen prohibitions on elected officials doing business with their governments or require elected and key appointed officials to report the sources and amounts of their income each year. These issues cannot be handled in the regular fiscal-only session.

The following ethics reform checklist compares BGR/PAR recommendations with the administration/Dardenne package of proposals. The bill provisions as shown include amendments through Wednesday, March 27.

## ETHICS REFORM CHECKSLIST

### BGR/PAR RECOMMENDATIONS

### ADMINISTRATION BILLS (as of 3/28/96)

#### ETHICS CODE: CONFLICT-OF-INTEREST PROVISIONS

Ban all state and local government contracts for legislators.	Not in call.
Ban or limit gifts of food and drink for legislators.	Not in call. (See alternate approach under lobbyist disclosure.)
Require recusal from voting by elected officials who have a conflict of interest.	Not in call.
Prohibit elected officials from doing business with their government.	Not in call.
Prohibit former public servants from representing themselves before their former agency, for two years.	Not in call.
Prohibit appointment of legislators to state jobs for two years after leaving Legislature.	Not in call.
Require annual personal financial disclosure reports from all elected and key appointed state officials and parishwide officers.	Not in call.
Require legislators and other state elected officials to report any gains from doing business with governments.	Not in call.

#### ETHICS ADMINISTRATION

(Proposals below are SB 5 unless noted.)

Create single five-member ethics board for all public servants.	Create single 11-member Board of Ethics.
Members appointed by governor from nominees by a civic non-partisan panel; five-year, staggered terms. One term limit.	Seven members, including a former judge, appointed by governor--at least one from each congressional district; two members by House and two by Senate. Each appointment from three nominees by committee designated by eight private college presidents, PAR and BGR. Five-year, staggered terms. Two term limit. Governor may initially appoint current member to three or four year term, if eligible.
Prohibit appointment of persons who are public servants or lobbyists.	Same.
Bar ethics body members from political activities.	Same. SB 8 also bans service on other boards.
Allow use of hearing officers; board to make final decision.	Board to hear cases in three-member subject matter panels. Whole board may take case, review panel decision or hear appeals of panel decisions.
Allow ethics board to initiate investigation of any public servant by majority vote.	Same, except requires vote of 2/3rds of board members. Also treats reports of Legislative Auditor or Inspector General as sworn complaints.
Require complainant's name remain confidential.	Not in call.
Give complainant right of private action against accused.	Not in call.
Allow consent agenda for proposed advisory opinions.	Same.
Require procedural rules, deadlines and notification.	Same.
Provide added staff and fund computerization.	(Requires budget action in fiscal session.)
Develop computerized data management system to handle all reports, permit electronic filing and give citizens access by computer.	Same.
Authorize ethics body to impose and collect any civil penalty, order forfeiture of illegal gifts or payments and order recovery of economic advantage gained by ethics violation without filing civil suit.	Same, but allows full recovery plus an additional penalty of up to one-half of economic advantage. Allows appeal to Court of Appeal.
Allow ethics agency to collect automatic late-filing fees for all reports. Such fees to be used by the board to fund computerization.	SB 58 same, except fees go to state general fund. Also sets late filing fees and added fee for over 10 days.  SB 10 sets automatic late fees for campaign finance.

No recommendation.	SB 9 increases maximum penalty for ethics violation from \$5,000 to \$10,000.
Require ethics training.	Same.

#### CAMPAIGN FINANCE DISCLOSURE

Prohibit contributions to legislators from 30 days before to 15 days after session.	SB 128 bans contributions to legislators and candidates for their seats during session only, unless running for statewide office.
Require occupation and employment data for contributor and spouse on campaign reports when amount exceeds \$1,000.	Not in call.
Prohibit PACs created or controlled by elected officials.	Not in call.
No recommendation.	SB 72 limits to \$20,000, in aggregate, contributions to a legislative candidate by PACs of the same political party.
Prohibit transfers of funds among political committees.	Not in call.
Prohibit use of contributions to run for office other than for which given.	Not in call.
Aggregate contributions of subsidiary or related PACs, committees and individuals to apply limits.	Not in call.
Count contributions by minors as if made by their parents.	SB 129 same.
Limit to \$50,000 the amount of loans by the candidate or his family that can be repaid after election.	Not in call.
Prohibit an owner, director, officer or key employee of a gambling interest from making political contributions.	SB 194 same, but excludes "mom and pop" video poker entities and owners of 10% or less. Penalizes givers, not receivers.

#### LOBBYIST DISCLOSURE

Extend lobbying law to cover lobbying executive branch.	Not in call.
Place administration of lobbying law in ethics agency.	SB 7 same.
Require lobbyist's clients to register, list lobbyists and report spending on lobbying; if an association, to list member organizations.	Not in call.
Provide criminal penalties for knowing and willful filing of false reports.	Not in call.
No recommendation.	SB 6 requires lobbyist to report quarterly any spending on food, drink or gifts over \$10 for a legislator.

#### GAMBLING LAW ETHICS PROVISIONS

Prohibit elected and other key officials from doing business with a gambling interest.	Not in call.
Authorize state ethics body to interpret and enforce all ethics provisions of gambling laws.	SB 14 same.
Enact civil penalties for violations of standards of conduct in gambling laws.	SB 14 applies penalties now in Code of Ethics.