



COMMENTARY

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PAR SAYS SENATE BILL WOULD GUT MAJOR ETHICS CODE PROVISION

Like the fighters heading for Pearl Harbor, Senate Bill 138 has managed to fly under the radar of traditionally vigilant critics and passed easily out of the Senate. The bill, presented as a narrow exception, would destroy a cornerstone of the state's Ethics Code that has been in place for over 35 years. Current law prohibits any public official from doing business with a person or firm that does business with the official's agency. The proposed legislation would allow an elected official to continue to be paid for services to such a firm if the "contract" had been in effect for a year before the official was elected.

Comments in the House and Governmental Affairs Committee sold the bill as legislation designed to encourage business people in small towns to serve the public and preserve their livelihoods where competition is minimal. This is an unconvincing argument as there is no geographical limit or threshold amount in the proposed bill. Further, the one year limit is ineffective because the public official's business relationships often have no definitive beginning or ending date. The proposed legislation began as an effort to overcome an adverse decision by the Board of Ethics in a single case. However, if passed by the Legislature, its application would be far broader.

Though there are undoubtedly honorable public officials, the opportunity for abuse is too great a temptation. It can be argued that the law discourages talented people from running for

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public office because they would have to drop all of their clients who do business with that governmental entity. However, there seems to be a sufficient number of candidates for public offices in Louisiana, thus the greater concern should lie with the potential for corruption. While the proposal would require disclosure of an official's business arrangements, disclosure alone might not prevent gifts being given in the guise of employment compensation.

PAR believes that passage of this legislation would be a devastating blow to a major provision of the Ethics Code that has served the state so well. Several other exceptions to the Ethics Code are likely to pass this legislative session that weaken the defense it provides to the public interest. SB 138 stands head and shoulders above the other bills in its power to destroy a central tenet of the Ethics Code that has been in place since the Code's inception. This is no small matter as upwards of 25% of the issues before the Board of Ethics deal with this provision. The grievances of one individual should not have the power to gut the Ethics Code. The House committee wisely deferred final consideration on SB 138 to further study its impact until Thursday, May 31. We hope it will be permanently deferred at that time.