

Committee on Ethics and Elections

CS/CS/SB 774 — Ethics Requirements for Public Officials

by Rules Committee; Ethics and Elections Committee; and Senator Brodeur

The bill revises ethics requirements for public officials as follows.

Disclosure of Financial Interests

Related to financial disclosures, the bill:

- Requires, beginning January 1, 2024, certain local officers (mayors and elected members of the governing body of a municipality) and Commission on Ethics members to file a Form 6 (full and public disclosure of financial interests) with the Commission on Ethics through the Commission's electronic filing system.
- Exempts local officers who are required to file a Form 6 from the present requirement to file the more limited Form 1 (statement of financial interests).
- Clarifies that a candidate for an elected office that requires a filing of a Form 6 must file such at the time of qualifying as a candidate for that office.
- Requires an individual appointed to fill a vacancy for which an elected local officer was required to file a Form 6, to file one annually for the remainder of the appointee's term.
- Maintains current law, beginning January 1, 2024, that each Form 1 filer must file his or her annual Form 1 financial disclosure by filling out his or her Form 1 on the Commission on Ethics's electronic filing system by the due date annually and extends the filing deadline from 5:00 p.m. to 11:59 p.m.
- As a conforming change, removes supervisors of elections from being involved in the Form 1 filing process, except for non-incumbent candidates.
- Requires, beginning January 1, 2024, local officers to file their quarterly reports of the names of clients represented for a fee or commission through the Commission's electronic filing system.
- Allows Form 1 and Form 6 filers to submit federal income tax returns, including all associated attachments and schedules, to report income and requires that filers who choose to file a federal income tax return to report income must also include all attachments and schedules associated with the tax return.

Related to the Commission's electronic filing system, the bill:

- Requires the system to have the capability to allow filers to upload attachments, including federal income tax returns.
- Requires the Commission's instructions for the system to notify filers that certain personal account information should not be included in the filing.
- Removes language allowing Form 1 and Form 6 filers to fill out and submit paper versions of the forms to the Commission through mail.
- Requires the Commission to notify Form 1 and Form 6 filers by email of all deadlines for filing instructions for the electronic filing system.

- Specifies that the only determining factor the Commission may use in determining the amount of fines for late submission of a Form 1 or Form 6 is the date the filer submitted their Form 1 or Form 6 on the Commission's electronic filing system.

Candidate Qualifications in Respect to Financial Disclosures

- The bill adds language to the Election Code allowing filers of Form 1 and Form 6 financial disclosure statements to submit a verification or receipt of the filing to the qualifying officer at the time of qualifying, making this section of the Election Code consistent with the Code of Ethics.

Procedures on Complaints and Violations

- The bill allows the Commission to dismiss any complaint or referral for *de minimis* violations of financial disclosures.

Penalty Provisions

- The bill increases the maximum civil penalty that may be imposed by the Commission, from \$10,000 to \$20,000.

Ethics Training

- The bill adds commissioners of community redevelopment agencies to the new office or new term of office exemption that already exists for constitutional officers and elective municipal officers. Community redevelopment agencies assuming a new office or term of office after March 31 are not required to complete ethics training for the calendar year in which their term of office began.

Lobbyist Registration and Compensation Reporting

- The bill adds clarifying language of what allegations must be contained in a complaint or report initiating the requirement for the Commission to investigate potential violations.
- The bill allows the Commission to dismiss any complaint or investigation from a random audit of lobbying reports, at any stage of disposition, if it determines that the public interest is not served by proceeding further. If the Commission dismisses an action, the Commission must issue a public report stating with particularity its reasons for the dismissal.

Implementation

- Requires the Commission to revise its financial disclosure forms and instructions and any relating rules to conform to changes made by the bill.

If approved by the Governor, or allowed to become law without the Governor's signature, these provisions take effect upon becoming law.

Vote: Senate 35-5; House 113-2