

Personal Financial Disclosure Statement

Instruction Guide



Filing Instructions for Elected Judges

**Office of the Judicial Administrator
Supreme Court of Louisiana
400 Royal Street, Suite 1190
New Orleans, Louisiana 70130**

SECURITY ISSUES

Every filer should be aware that Part N of the Rules of the Supreme Court of Louisiana, Rule XXXIX makes your Personal Financial Disclosure Statement a **PUBLIC DOCUMENT**. The Office of the Judicial Administrator offers the following recommendations so that you can satisfy the financial disclosure requirements set forth herein while accommodating appropriate security concerns:

- (1) When filing your statement, enter your CHAMBERS OR OFFICE ADDRESS. Do not disclose your home address for any purpose in connection with your statement.
- (2) Do not provide unnecessary detail that could enable someone to commit financial fraud. Ways to avoid including unnecessary detail include the following:
 - a. Do not list account numbers for bank or brokerage accounts.
 - b. Do not provide a social security number in connection with your statement.
 - c. List only the name of a bank, and not its address or the name of the branch you frequent. For example, list “First National Bank” instead of “First National Bank, Uptown Branch.”
- (3) When reporting information on immovable property in which you or your spouse have an interest, provide only the city (or parish/county) and state in which the property is located. Do not use street addresses, lot numbers, or survey descriptions.
- (4) Do not attach financial statements, tax returns, deeds, or trust agreements, which often include home addresses and account numbers.

GENERAL INSTRUCTIONS

WHO IS REQUIRED TO FILE?

According to Part N, Rule XXXIX of the Rules of the Supreme Court of Louisiana, all elected judges and justices of the peace shall annually file a financial disclosure statement. (Justices of the peace have a financial disclosure statement to complete that is separate and apart from the financial disclosure statement that elected judges must complete.) Only persons holding offices or positions on or after July 1, 2008 are required to file financial disclosure statements in connection with the holding of such offices or positions.

FILING DEADLINES

The financial disclosure statement shall be filed with the Office of the Judicial Administrator, Supreme Court of Louisiana, by May 15th of each year during which the person holds an office or position and by May 15th of the year following the termination of the holding of such office or position.

EXTENSION OF THE MAY 15TH DEADLINE

The financial disclosure statement may be filed within thirty days after the individual files his or her federal tax return for the year in which he or she is reporting, taking into consideration any extensions filed by the individual. To do this, however, the individual *must* notify the Office of the Judicial Administrator, Supreme Court of Louisiana, prior to the May 15th deadline of his or her intention to do so.

COMPLETING THE STATEMENT

All statements must be either typewritten or legibly hand-printed in blue or black ink. If the requested information is not applicable, then clearly check the “NOT APPLICABLE” box and proceed to the next section. A complete statement includes Sections I through VIII and the Personal Financial Disclosure Statement Affidavit.

PERIOD COVERED

The personal financial disclosure statement covers activity for the entire calendar year *preceding* the year the statement is due. For instance, a personal financial statement due in 2009 covers activity occurring between and including January 1 and December 31, 2008.

ENFORCEMENT

The Office of the Judicial Administrator, Supreme Court of Louisiana, will notify each individual of any failure to timely file, omission of any required information or inaccuracy contained within, the financial disclosure statement by sending him or her, by certified mail, a notice of delinquency. The notice will include the deadline for filing the statement, filing the answer, or disclosing or accurately disclosing the information.

INVOLVEMENT OF THE JUDICIARY COMMISSION AND SUPREME COURT

If an individual fails to file the statement, fails to provide the omitted information, fails to correct the inaccurate information, or fails to file a written answer to the notice of delinquency prior to the deadline contained in the notice of delinquency, the matter will be referred to the Judiciary Commission.

If the Commission determines that an individual has failed to file a statement, or failed to disclose or accurately disclose the required information, the Commission will file the record and a recommendation with the Court.

PENALTY

If the Court determines that a violation has occurred, a penalty of \$100 per day shall be assessed.

WILLFUL AND KNOWING FAILURE TO FILE A STATEMENT

If a person has willfully and knowingly failed to file a statement, willfully and knowingly failed to timely file a statement, willfully and knowingly omitted information from a statement, or willfully and knowingly provided inaccurate information in a statement, the Court will forward its findings to the district attorney in the parish that is the domicile of the person who filed the report for appropriate action.

PUBLIC POSTING OF FAILURE TO FILE A STATEMENT

The Office of the Judicial Administrator, Supreme Court of Louisiana, will post on its website a list of all judges and justices of the peace who have failed to file, or failed to timely file, or failed to provide omitted information, or failed to provide accurate information as is required.

CHANGES IN INFORMATION

If you discover after the filing deadline that the financial disclosure statement you filed was incorrect or incomplete, you must file an amendment to such disclosure correcting such error or inaccuracy. Your initial financial disclosure statement will be replaced with the amendment thereto in the official records of the Office of the Judicial Administrator.

PUBLIC RECORDS

All financial disclosure statements are matters of public record. Any notice of delinquency and any referral by the Office of the Judicial Administrator to the Judiciary Commission are matters of public record. All pleadings that are filed following a referral to the Judiciary Commission are matters of public record. Any findings of fact, conclusions of law, and report authored by a hearing officer are matters of public record. All recommendations or determinations by the Commission following a referral by the Office of the Judicial Administrator are matters of public record.

GENERAL DEFINITIONS

The following definitions apply to the Personal Financial Disclosure Statement, unless otherwise indicated:

1. “Business” means any corporation, limited liability company, partnership, sole proprietorship, firm, enterprise, franchise, association, business, organization, self-employed individual, holding company, trust, or any other legal entity or person. *See* Supreme Court Rule XXXIX, Section 2(G)(1).
2. “Consumer credit transaction” means a consumer loan or a consumer credit sale, but does not include a motor vehicle credit transaction made pursuant to R.S. 6:969.1 *et seq.* *See* LSA-R.S. 9:3516(13), amended by 2008 La. Sess. Law Serv. Act 50 (S.B. 130); *see also* *See* Supreme Court Rule XXXIX, Section 2(C)(9)(d).
3. “Gaming Interest” as used in Section IV(A) of the Personal Financial Disclosure Statement concerns income derived from:
 - a. Any person who holds a license or permit as a distributor of gaming devices, who holds a license or permit as a manufacturer of gaming devices, who holds a license or permit as a device service entity, and any person who owns a truck stop or a licensed pari-mutuel or off-track wagering facility which is a licensed device establishment, all pursuant to the Video Draw Poker Devices Control Law.
 - b. Any person who holds a license to conduct gaming activities on a riverboat, who holds a license or permit as a distributor or supplier of gaming devices or gaming equipment including slot machines, or who holds a license or permit as a manufacturer of gaming devices or gaming equipment including slot machines issued pursuant to the Louisiana Riverboat Economic Development and Gaming Control Act, and any person who owns a riverboat upon which gaming activities are licensed to be conducted.
 - c. Any person who holds a license or entered into a contract for the conduct of casino gaming operations, who holds a license or permit as a distributor of gaming devices or gaming equipment including slot machines, or who holds a license or permit as a manufacturer of gaming devices or gaming equipment including slot machines issued pursuant to the Louisiana Economic Development and Gaming Corporation Act, and any person who owns a casino where such gaming operations are licensed.

See La. Rev. Stat. § 18:1505.2(L)(3)(a); *see also* Supreme Court Rule XXXIX, Section 2(C)(5)(a)(i)(bb).

4. “Income” for a business shall mean gross income less both of the following: (i) cost of goods sold and (ii) operating expenses. *See* Supreme Court Rule XXXIX, Section 2(G)(2)(a).
5. “Income” for an individual shall mean taxable income and shall not include any income received pursuant to a life insurance policy. *See* Supreme Court Rule XXXIX, Section 2(G)(2)(b).
6. “Income” does not mean any monies derived from child support and alimony payments contained in a court order or from the reporting or disclosure of income derived from disability payments from any source. *See* Supreme Court Rule XXXIX, Section 2(H).
7. “Individual” or “Person” means the judge or justice of the peace who is required to file a financial statement. *See* Supreme Court Rule XXXIX, Section 1.
8. “Political subdivision” means any parish, municipality, and any other unit of local government, including a school board and a special district, authorized by law to perform governmental functions. *See* La. Const. Art. VI, § 44; *see also* Supreme Court Rule XXXIX, Section 2(C)(5)(a)(i)(aa).

QUESTION AND ANSWER

Do I Have to Disclose Specific Monetary Amounts in the Financial Disclosure Statement?

No, unless otherwise specified. In most cases, when an amount is required to be disclosed, it is sufficient to report the amount by the following categories:

- Category I, less than \$5,000;
- Category II, \$5,000 - \$24,999;
- Category III, \$25,000 - \$100,000;
- Category IV, more than \$100,000.
- Note that any income received from the state, including your judicial income, must be reported in a specific monetary amount.

Where Do I File My Financial Disclosure Statement?

The financial disclosure statement must be filed with the Office of the Judicial Administrator, Supreme Court of Louisiana. Your financial disclosure statement must be accompanied by an affidavit certifying that the information contained in the financial disclosure statement is true and correct to the best of your knowledge, information, and belief.

Will My Financial Disclosure Statement be Considered a Public Record?

Yes. It will be subject to public inspection and copying.

Is My Ability to Transfer Assets, Interests, or Liabilities Limited by the Financial Disclosure Requirement?

In a way. Part N, Rule XXXIX of the Rules of the Supreme Court of Louisiana restrict you or your spouse from transferring any asset, interest, or liability that is required to be disclosed to any person or business for the purpose of avoiding disclosure, unless such transfer is irrevocable.

When is a Transfer Irrevocable?

If there is no contract, letter, counter letter, note, or any other legally enforceable agreement or authority which, if exercised or enforced, would require or authorize any asset, interest, or liability transferred by an individual or spouse to a person or business to revert back to such individual or spouse, then a transfer is irrevocable.

Are There Other Types of Transfers that are not Prohibited?

Yes. The sale of property subject to owner financing and a recorded bond for deed contract are transfers that are not prohibited by Part N, Rule XXXIX of the Rules of the Supreme Court of Louisiana. Note, however, that the income from the sale of property must be disclosed on the financial disclosure statement in accordance with Part N, Rule XXXIX of the Rules of the Supreme Court of Louisiana.

Do I Have to Report All Income I Receive?

No. You are not required to disclose or report any income derived from child support and alimony payments contained in a court order or any income derived from disability payments from any source.

COMPLETING FORM PFDS

SECTION I: GENERAL INFORMATION

This section requests general information about you, the filer, and your spouse, if applicable. Each subpart must be completed. If any subpart is not applicable, then check the “NOT APPLICABLE” box for that subpart.

SECTION II. INTERESTS IN BUSINESS ENTITIES

This section requests information concerning you and/or your spouse’s interests in business entities. Complete this section for each business in which you or your spouse is a director, officer, owner, partner, member, or trustee, and in which you or your spouse, either individually or collectively, owns an interest which exceeds ten percent of that business.

SECTION III. INVOLVEMENT IN NONPROFIT ORGANIZATIONS

This section pertains only to you or your spouse’s association with nonprofit organizations. Complete this section only if you and/or your spouse are either a director or officer of a nonprofit organization.

SECTION IV. INCOME

This section requests information concerning your income and is divided into subsections based on the source of the income received.

Subsection A. Income from State or Political Subdivision or from Services Performed for or in Connection with a Gaming Interest

In this section, report any type of income received by either you or your spouse, or any business in which you or your spouse, either individually or collectively, own an interest that exceeds ten percent of that business, that is received from either (i) a state or political subdivision; or (ii) services performed for or in connection with a gaming interest. ***Judicial income must appear in this Subsection.*** (Refer to the Definitions Section for the definition of a political subdivision or a gaming interest.)

Part 1: Indicate to whom the information relates. If the income is received by a business in which you and/or your spouse own(s) a ten percent interest, then indicate that by checking the box “Business in which Filer and/or Spouse owns more than a 10% interest.”

Part 2: Identify the source of the income being reported. *For example*, if the reported income is from your employment as a judge, then indicate the source of income as “State of Louisiana, Judicial Branch.”

Part 3: Identify the address of the source of income being reported. *For example*, if the reported income is from your employment as a judge, then the address would be the office from which you receive your check.

Part 4: Indicate the type of the income being reported, *i.e.*, whether the income has been received from a state or political subdivision, or because of services performed for or in connection with a gaming interest.

Part 5: You must indicate the **specific** amount of income that you received in the entire calendar year *preceding* the year the statement is due.

Subsection B. Income from Employers

All income received from any employer pursuant to either you or your spouse’s full-time or part-time employment must be reported in this subsection. (Note that judicial income should not appear in this subsection, but rather in Subsection A.) Complete this subsection by providing the name of the employer, the job title, and a brief description of each full-time or part-time position held by you and your spouse for the preceding calendar year. Indicate in each response whether this information relates to you or your spouse.

Subsection C. Income from Businesses

All income received from all businesses must be reported in this subsection. *For example*, if you or your spouse own an interest in a corporation and receive income from, but are not employed by, that corporation, you must report such income in this subsection.

Subsection D. Miscellaneous Income

To the extent this information has not already been fully disclosed in Subsection A, Subsection B, or Subsection C, you must disclose any other income that you and/or your spouse receive, when that income exceeds \$1,000.

SECTION V. INTERESTS IN IMMOVABLE PROPERTY

This section requests information concerning all parcels of immovable property in which either you or your spouse, either individually or collectively, have an interest. You are only required to answer this section if the fair market value or use value of such immovable property has been determined by the assessor for purposes of *ad valorem* taxes to exceed \$2,000.

SECTION VI: INVESTMENT SECURITIES

This section asks for information concerning investment securities held by you or your spouse, which value exceeds \$5,000. You do not need to disclose any information concerning any property held and administered for any person other than you or your spouse under a trust, tutorship, curatorship or other custodial instrument. For purposes of this section, you should **not** include the following in your response:

- variable annuities;
- variable life insurance;
- variable universal life insurance;
- whole life insurance or any other life insurance product;
- mutual funds;
- education investment accounts;
- retirement investment accounts (including state retirement plans, deferred retirement option plan (DROP) accounts, 401K retirement accounts, individual retirement accounts (IRAs) and deferred compensation accounts);
- government bonds; and
- cash or cash equivalent investments.

SECTION VII: PURCHASE/SALE

This section asks for information concerning the purchase or sale, in excess of \$5,000, of any immovable property and of any personally owned tax credit certificates, stocks, bonds, or commodities futures, including any option to acquire or dispose of any immovable property or of any personally owned tax credit certificates, stocks, bonds, or commodities futures. For purposes of this section, you should **not** include the following in your response:

- variable annuities;
- variable life insurance;
- variable universal life insurance;
- whole life insurance or any other life insurance product;
- mutual funds;
- education investment accounts;
- retirement investment accounts (including state retirement plans, deferred retirement option plan (DROP) accounts, 401K retirement accounts, individual retirement accounts (IRAs) and deferred compensation accounts);
- government bonds; and
- cash or cash equivalent investments.

SECTION VIII. CREDITORS

This section asks for information concerning any creditors to which you or your spouse owe(s) any liability which exceeds \$10,000 on the last day of the reporting period. For purposes of this section, you should exclude the following liabilities in your response:

- Any loan secured by movable property, if such loan does not exceed the purchase price of the movable property which secures it;
- Any liability, secured or unsecured, which is guaranteed by you or your spouse for a business in which you or your spouse owns any interest, provided that the liability is in the name of the business and, if the liability is a loan, that you or your spouse do(es) not use proceeds from the loan for personal use unrelated to the business;
- Any loan by a licensed financial institution which loans money in the ordinary course of business;
- Any liability resulting from a consumer credit transaction as defined in R.S. 9:3516(13); or
- Any loan from an immediate family member, unless such member is a registered lobbyist, or his or her principal or employer is a registered lobbyist, or he or she employs or is a principal of a registered lobbyist, or unless such family member has a contract with the State.

PERSONAL FINANCIAL DISCLOSURE STATEMENT AFFIDAVIT

Your Personal Financial Disclosure Statement must be accompanied by a signed and notarized affidavit certifying that (i) the information contained in the financial disclosure statement is true and correct to best of your knowledge, information, and belief, and (ii) you have filed your federal and state income tax returns, or that you have filed for an extension of time for filing such tax returns,