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### **Ethics Administrator Quits, Then is Rehired to Avoid Law's Requirements**

BATON ROUGE -- The Louisiana Board of Ethics on Thursday let its chief administrator quit his agency job and then rehired him in a new capacity to avoid a requirement under a newly passed ethics law that he disclose clients in his private law practice.

The end-run maneuver drew quick criticism from the author of the law.

The board's action regarding ethics administrator Gray Sexton followed the recent passage of House Bill 532, which was signed by Gov. Kathleen Blanco on Wednesday.

The bill stipulates that the board's ethics administrator must focus full time on his agency job starting no later than August 2008, but it also requires that he identify private clients and business dealings within 30 days of the bill's signing.

Sexton told the board during its monthly meeting that his sudden resignation was "absolutely" because of the new law and his desire to keep his private business affairs confidential.

Board members accepted his resignation as ethics administrator but said Sexton would be paid to serve the board in some type of adviser capacity, which was not described. Board Chairman Henry Perret Jr. said the agency needs Sexton's expertise to help handle the heavy workload for the upcoming election season. Panelist Dolores Spikes said the board was not trying to circumvent the new law.

The bill's proponents had mixed reactions.

Rep. William Daniel IV, R-Baton Rouge, the bill's author, called the move a "back room deal."

"They've made a decision that I think reflects poorly on their judgment," Daniel said. "That is just the ethics board having worse ethics than the people they are trying to police."

A spokesman for LA Ethics 1, an organization that backed the Daniel bill in its original form, said the requirements forcing Sexton to disclose his clients were added to the bill late in the legislative process and were not supported by his group.

"This awkwardness could have been avoided," said Stephen Moret, who is also chief executive of the Baton Rouge Area Chamber of Commerce.

The board named staff attorney Kathleen Allen acting ethics administrator and will conduct a nationwide search to fill the position permanently.

Sexton, 65, has been a principal figure in administering state ethics law for the past 40 years, under the current board and its predecessor institutions. He has acted as the board's front-line cop and legal defender on ethics issues, and he has taken the role as lead negotiator in confidential negotiations with state officials seeking consent agreements over ethics violations.

"It's my life's work. It's something I feel very passionate about," Sexton said.

His busy private law practice has raised concerns among some lawmakers about potential conflicts of interest. For example, Sexton for years has represented Lane Grigsby, a Louisiana businessman recently described as "one of the most influential men in Louisiana politics" by a Baton Rouge business publication.

Last year, members of the Jefferson Parish Council were prepared to seek Ethics Board intervention after the council hired one contractor to build safe houses for east bank pump operators and a second contractor to inspect the work. The dispute arose because Grigsby, owner of Cajun Constructors, the building contractor, held an interest in Kyle Associates, the firm hired as the inspector.

Sexton appeared before the council as the attorney for Cajun Constructors to endorse the legitimacy of the arrangement, not as Ethics Board chief. He was also a registered agent for both firms.

Daniel lost a special election for a state Senate seat last year in an outcome that some observers attribute partly to Grigsby's support of Daniel's opponent.

LA Ethics 1 is a coalition of chambers of commerce and other groups seeking greater disclosure and tighter ethics laws. It backed Daniel's bill, which passed both chambers unanimously. The measure was amended in a compromise committee in the final days of the session to include a section requiring the ethics administrator to file the disclosure statements.

That section may be a nagging issue for Sexton, even with his resignation.

The law says that the person who is ethics administrator at the time of the bill's signing by the governor must file the disclosure report within 30 days. Sexton held that title on Wednesday, the day of the bill signing, and left the post Thursday. Some board members expressed surprise that the bill had been signed the day before without their knowledge.

Sexton said he will not file a report and that he interprets the law to mean that he does not have to. No board members disputed his stance.

Earlier in the day Sexton told reporters that he would resign effective July 29. A little

later, the board and staff met in private to discuss the personnel matters. At one point the board asked Sexton and the rest of the staff to leave the room.

Perret then reopened the meeting to the public and announced that the panel expected to use Sexton's counseling services for an undetermined period, but for at least through the fall election cycle, when the board oversees campaign finances.

Daniel said Sexton is required to file a report, even after his resignation, because he was the ethics administrator when the governor signed the bill. He said the legislative intent is clear, and that Sexton's job switch is a circumvention of law.

"The House was extremely concerned that the ethics board would try to pull just such a thing," Daniel said. "We were afraid this might happen, and it looks like it has justified our worst fears."

Daniel said the law was written to give Sexton a year to get his business affairs in order before having to give up either the public or private job. Lawmakers added the disclosure requirements so that in the interim the public would know what the potential conflicts of interest might be.

(Robert Travis Scott)