

By: Johnson of Dallas

H.B. No. 4053

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the contents of the personal financial statement filed
3 by public officers and candidates.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 572.022(c), Government Code, is amended
6 to read as follows:

7 (c) The individual filing the statement shall report a
8 description of real property by reporting:

9 (1) the street address, if available, or the number of
10 lots or number of acres, as applicable, in each county, and the name
11 of the county, if the street address is not available; and

12 (2) the names of all persons retaining an interest in
13 the property, excluding:

14 (A) an interest that is a severed mineral
15 interest; and

16 (B) the name of a person with an interest in the
17 property that holds a mortgage on the property that is otherwise
18 required to be reported in the statement.

19 SECTION 2. Section 572.023, Government Code, is amended by
20 amending Subsection (b) and adding Subsections (b-1), (h), (i), and
21 (j) to read as follows:

22 (b) The account of financial activity consists of:

23 (1) a list of all sources of occupational income,
24 identified by employer, or if self-employed, by the nature of the

1 occupation, including identification of a person or other
2 organization from which the individual or a business in which the
3 individual has a substantial interest received a fee as a retainer
4 for a claim on future services in case of need, as distinguished
5 from a fee for services on a matter specified at the time of
6 contracting for or receiving the fee, if professional or
7 occupational services are not actually performed during the
8 reporting period equal to or in excess of the amount of the
9 retainer~~[, and the category of the amount of the fee];~~

10 (2) identification by name and the category of the
11 value ~~[number]~~ of shares of stock of any business entity held or
12 acquired, except as provided by Subsection (j)~~[, and if sold, the~~
13 ~~category of the amount of net gain or loss realized from the sale];~~

14 (3) a list of all bonds, notes, and other commercial
15 paper held or acquired, except as provided by Subsection (j)~~[, and~~
16 ~~if sold, the category of the amount of net gain or loss realized~~
17 ~~from the sale];~~

18 (4) identification of each source and the category of
19 the amount of income in excess of \$500 derived from each source from
20 interest, dividends, royalties, and rents;

21 (5) identification of each guarantor of a loan and
22 identification of each person or financial institution to whom a
23 personal note or notes or lease agreement for a total financial
24 liability in excess of \$1,000 existed at any time during the year
25 and the category of the amount of the liability;

26 (6) identification by description of all beneficial
27 interests in real property and business entities held or acquired~~[,~~

1 ~~and if sold, the category of the amount of the net gain or loss~~
2 ~~realized from the sale];~~

3 (7) identification of a person or other organization
4 from which the individual or the individual's spouse or dependent
5 children received a gift of anything of value in excess of \$250 and
6 a description of each gift, except:

7 (A) a gift received from an individual related to
8 the individual at any time within the second degree by
9 consanguinity or affinity, as determined under Subchapter B,
10 Chapter 573;

11 (B) a political contribution that was reported as
12 required by Chapter 254, Election Code; and

13 (C) an expenditure required to be reported by a
14 person required to be registered under Chapter 305;

15 (8) identification of the source and the category of
16 the amount of all income received as beneficiary of a trust, other
17 than a blind trust that complies with Subsection (c), and
18 identification of each trust asset, if known to the beneficiary,
19 from which income was received by the beneficiary in excess of \$500;

20 (9) identification[+

21 [~~(A) by description of a corporation, firm,~~
22 ~~partnership, limited partnership, limited liability partnership,~~
23 ~~professional corporation, professional association, joint venture,~~
24 ~~or other business association in which five percent or more of the~~
25 ~~outstanding ownership was held, acquired, or sold; and~~

26 [~~(B)] by description and the category of the~~

27 amount of all assets and liabilities of a corporation, firm,

1 partnership, limited partnership, limited liability partnership,
2 professional corporation, professional association, joint venture,
3 or other business association in which 50 percent or more of the
4 outstanding ownership was held, acquired, or sold;

5 (10) a list of all boards of directors of which the
6 individual is a member and from which the individual receives
7 compensation and executive positions, only if the executive
8 position held is president, vice president, secretary, treasurer,
9 or chairman, that the individual holds in corporations, firms,
10 partnerships, limited partnerships, limited liability
11 partnerships, professional corporations, professional
12 associations, joint ventures, or other business associations or
13 proprietorships, stating the name of each corporation, firm,
14 partnership, limited partnership, limited liability partnership,
15 professional corporation, professional association, joint venture,
16 or other business association or proprietorship and the position
17 held;

18 (11) identification of any person providing
19 transportation, meals, or lodging expenses permitted under Section
20 36.07(b), Penal Code, and the amount of those expenses, other than
21 expenditures required to be reported under Chapter 305;

22 (12) any corporation, firm, partnership, limited
23 partnership, limited liability partnership, professional
24 corporation, professional association, joint venture, or other
25 business association, excluding a publicly held corporation, in
26 which both the individual and a person registered under Chapter 305
27 have an interest;

1 (13) identification by name and the category of the
2 value [~~number~~] of shares of any mutual fund held or acquired, except
3 as provided by Subsection (j) [~~, and if sold, the category of the~~
4 ~~amount of net gain or loss realized from the sale~~];

5 (14) identification of each blind trust that complies
6 with Subsection (c), including:

7 (A) [~~the category of the fair market value of the~~
8 ~~trust,~~

9 [~~(B)~~] the date the trust was created;

10 (B) [~~(C)~~] the name and address of the trustee;
11 and

12 (C) [~~(D)~~] a statement signed by the trustee,
13 under penalty of perjury, stating that:

14 (i) the trustee has not revealed any
15 information to the individual, except information that may be
16 disclosed under Subdivision (8); and

17 (ii) to the best of the trustee's knowledge,
18 the trust complies with this section;

19 (15) if the aggregate cost of goods or services sold
20 under one or more written contracts described by this subdivision
21 exceeds \$10,000 in the year covered by the report, identification
22 of each written contract, including the name of each party to the
23 contract:

24 (A) for the sale of goods or services in the
25 amount of \$2,500 or more;

26 (B) to which the individual, the individual's
27 spouse, the individual's dependent child, or any business entity of

1 which the individual, the individual's spouse, or the individual's
2 dependent child, independently or in conjunction with one or more
3 persons described by this subsection, has at least a 50 percent
4 ownership interest is a party; and

5 (C) with:

6 (i) a governmental entity; or

7 (ii) a person who contracts with a
8 governmental entity, if the individual or entity described by
9 Paragraph (B) performs work arising out of the contract,
10 subcontract, or agreement between the person and the governmental
11 entity for a fee; and

12 (16) if the individual is a member of the legislature
13 and provides bond counsel services to an issuer, as defined by
14 Section [1201.002\(1\)](#), identification of the following for each
15 issuance for which the individual served as bond counsel:

16 (A) the amount of the issuance;

17 (B) the name of the issuer;

18 (C) the date of the issuance;

19 (D) the amount of fees paid to the individual,
20 and whether the amount is:

21 (i) less than \$5,000;

22 (ii) at least \$5,000 but less than \$10,000;

23 (iii) at least \$10,000 but less than
24 \$25,000; or

25 (iv) \$25,000 or more; and

26 (E) the amount of fees paid to the individual's
27 firm, if applicable, and whether the amount is:

- 1 (i) less than \$5,000;
- 2 (ii) at least \$5,000 but less than \$10,000;
- 3 (iii) at least \$10,000 but less than
- 4 \$25,000; or
- 5 (iv) \$25,000 or more.

6 (b-1) Notwithstanding Section 572.022 and for the purpose
7 of reporting an amount in a financial statement by category under
8 Subsection (b), an individual required to file the statement shall
9 report whether the amount is:

- 10 (1) less than \$25,000; or
- 11 (2) \$25,000 or more.

12 (h) For purposes of Subsection (b)(9):

- 13 (1) "Asset" means a separate business entity, cash, or
- 14 real and personal property.
- 15 (2) "Liability" means a note, line of credit, lien, or
- 16 corporate lease.

17 (i) In prescribing the form and reporting requirements for a
18 financial statement filed under this chapter, the commission shall
19 ensure redundancies in reporting are reduced by combining, as
20 appropriate, reporting categories and limiting the need to report
21 information multiple times.

22 (j) For purposes of Subsections (b)(2), (3), and (13), an
23 individual whose financial activity described by those
24 subdivisions is managed by a disinterested third party is not
25 required to report that information if the individual submits with
26 the financial statement a sworn statement that:

- 27 (1) includes the name and address of the third party;

1 and

2 (2) is signed by the third party under penalty of
3 perjury affirming that the third party manages the relevant assets
4 without the individual's input as to holding or acquiring specific
5 assets.

6 SECTION 3. Section 572.024, Government Code, is amended to
7 read as follows:

8 Sec. 572.024. INFORMATION ABOUT SERVICES FOR LOBBYISTS OR
9 LOBBYIST EMPLOYERS. A state officer who receives a fee for services
10 rendered by the officer to or on behalf of a person required to be
11 registered under Chapter 305, or to or on behalf of a person or
12 entity that the officer actually knows directly compensates or
13 reimburses a person required to be registered under Chapter 305,
14 shall report on the financial statement:

15 (1) the name of each person or entity for which the
16 services were rendered; and

17 (2) whether the [~~category of the~~] amount of each fee
18 is:

19 (A) less than \$25,000; or

20 (B) \$25,000 or more.

21 SECTION 4. Section 572.025, Government Code, is amended to
22 read as follows:

23 Sec. 572.025. INFORMATION ABOUT LEGISLATORS'
24 REPRESENTATION BEFORE EXECUTIVE STATE AGENCIES. A member of the
25 legislature who represents another person for compensation before
26 an executive state agency shall report on the financial statement:

27 (1) the name of the agency;

- 1 (2) the person represented by the member; and
- 2 (3) whether the [~~category of the~~] amount of
- 3 compensation received by the member for that representation is:
- 4 (A) less than \$25,000; or
- 5 (B) \$25,000 or more.

6 SECTION 5. Section [572.022\(b\)](#), Government Code, is

7 repealed.

8 SECTION 6. The changes in law made by this Act apply only to

9 a financial statement filed under Subchapter [B](#), Chapter [572](#),

10 Government Code, on or after the effective date of this Act. A

11 financial statement filed before the effective date of this Act is

12 governed by the law in effect on the date of filing, and the former

13 law is continued in effect for that purpose.

14 SECTION 7. This Act takes effect September 1, 2023.