

Amend CSHB 1606 by adding the proposed SECTION 6.03:

SECTION 6.03. Subtitle C, Title 5, Local Government Code, is amended by adding proposed Chapter 176 to read as follows:

CHAPTER 176. DISCLOSURE OF CERTAIN RELATIONSHIPS

WITH LOCAL GOVERNMENT OFFICERS

Sec. 176.001. APPLICABILITY OF CHAPTER. This chapter applies only to:

- (1) a county with a population of 2.2 million or more;
- (2) a municipality with a population of 1.6 million or more; and
- (3) a local governmental entity that is appointed by a county or municipality described by this section.

Sec. 176.002. DEFINITIONS. In this chapter:

(1) "Family member" means a person related to another person within the first degree by consanguinity or affinity, as described by Subchapter B, Chapter 573, Government Code.

(2) "Local governmental entity" means a local government corporation, board, commission, district, or authority to which a member is appointed by the commissioners court of a county, the mayor of a municipality, or the governing body of a municipality.

(3) "Local government officer" means:

- (A) a county judge;
- (B) a county commissioner;
- (C) a mayor;
- (D) a municipal attorney;
- (E) a member of the governing body of a municipality;
- (F) a city manager of a municipality; or
- (G) a member of a local governmental entity appointed by the commissioners court of a county, a mayor, or the governing body of a municipality.

Sec. 176.003. APPLICABILITY TO CERTAIN VENDORS AND OTHER PERSONS. (a) This chapter applies to a person who:

(1) contracts or seeks to contract for the sale or purchase of property, goods, or services with a county, municipality, or local governmental entity; or

(2) seeks the approval of a plat or permit with the commissioners court of the county, the governing body of a municipality, or the governing body of a local governmental entity.

(b) A person is not subject to this chapter under Subsection (a) if the person is:

(1) a state, a political subdivision of a state, a local governmental entity, the federal government, or a foreign government; or

(2) an employee of an entity described by Subdivision (1), acting in the employee's official capacity.

Sec. 176.004. CONFLICTS DISCLOSURE STATEMENT. (a) The commissioners court of a county or the governing body of a municipality shall adopt a conflicts disclosure statement for local government officers of the county or municipality or the local governmental entity to which the commissioners court of the county, mayor of the municipality, or governing body of the municipality appoints a member. The conflicts disclosure statement must include:

(1) a requirement that each local government officer disclose:

(A) an employment or other business relationship of the local government officer or a family member of the local government officer with a person described by Section 176.003(a) that results in the local government officer receiving taxable income, including the nature and extent of the relationship; and

(B) gifts received by the local government officer and any family member of the local government officer from a person described by Section 176.003(a) that have a total value of more than \$250;

(2) an acknowledgment from the local government officer that:

(A) the disclosure applies to a family member of the local government officer; and

(B) the statement covers the 12-month period before the date of the statement; and

(3) the signature of the local government officer acknowledging that the statement is made under oath under penalty

of perjury.

(b) A local government officer shall file a conflicts disclosure statement with the custodian of the records of the governing body of the county, municipality, or local governmental entity not later than 5 p.m. on the seventh business day after which the local government officer becomes aware of the relationship between the county, municipality, or local governmental entity and the person described by Section 176.003(a) if:

(1) the person has contracted with the county, municipality, or local governmental entity;

(2) the county, municipality, or local governmental entity is considering doing business with the person; or

(3) the person has offered one or more gifts that have a total value of more than \$250 to that local government officer or a family member of the local government officer in the 12-month period preceding the date the local government officer becomes aware of the relationship between the county, municipality, or local governmental entity and the person.

(c) If the governing board of a local governmental entity is appointed by both the commissioners court of a county and the mayor or governing body of a municipality, the local government officers of the local governmental entity shall use the conflicts disclosure statement adopted by the commissioners court.

(d) A person commits an offense if the person is a local government officer and the person fails to file the conflicts disclosure statement as required by Subsection (b). An offense under this subsection is a Class C misdemeanor.

(e) A county or municipality may extend the requirements of this section to all or a group of the employees of the county or municipality or of a local governmental entity of the county or municipality. A county, municipality, or local governmental entity may reprimand, suspend, or terminate an employee who fails to comply with a requirement adopted under this section.

Sec. 176.005. DISCLOSURE REQUIREMENTS FOR VENDORS AND OTHER PERSONS; QUESTIONNAIRE. (a) This section applies only to a person described by Section 176.003(a) who:

(1) responds to a request for proposals or bids of a

county, municipality, or local governmental entity;

(2) communicates with a county, municipality, or local governmental entity in connection with a potential agreement between the person and the county, municipality, or local governmental entity; or

(3) requests action by the county, municipality, or local governmental entity on a plat or permit.

(b) The commissioners court of a county or the governing body of a municipality shall adopt a conflict of interest questionnaire that requires disclosure of a person's affiliations or business relationships that might cause a conflict of interest.

(c) A person described by Subsection (a) shall file a completed conflict of interest questionnaire with the custodian of records of the county, municipality, or local governmental entity not later than the seventh business day after the date that the person:

(1) begins contract discussions or negotiations with the county, municipality, or local governmental entity;

(2) forwards to the county, municipality, or local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential agreement with the county, municipality, or local governmental entity; or

(3) submits a request for approval of a plat or permit.

(d) A person described by Subsection (a) shall file an updated completed questionnaire with the custodian of records of the county, municipality, or local governmental entity not later than:

(1) September 1 of each year in which an activity described by Subsection (a) is pending; and

(2) the seventh business day after the date of an event that would make a statement in the questionnaire incomplete or inaccurate.

(e) A contract entered into by the county, municipality, or local governmental entity and a person described by Subsection (a) is voidable by the county, municipality or local governmental entity if the person violates this section. The contract must state

the substance of this subsection.

Sec. 176.006. ELECTRONIC FILING. The requirements of this chapter, including signature requirements, may be satisfied by electronic filing in a form approved by the county, municipality, or local governmental entity.

Sec. 176.007. POSTING ON INTERNET. A county or municipality that adopts a conflicts disclosure statement and a conflict of interest questionnaire under this chapter shall provide access to the statements and questionnaires filed under this chapter, including any statement or questionnaire filed in relation to a local governmental entity of the county or municipality, on the Internet website maintained by the county or municipality.

Sec. 176.008. REQUIREMENTS CUMULATIVE. The requirements of this chapter are in addition to any other disclosure required by law.