

By: Chisum

H.B. No. 289

A BILL TO BE ENTITLED

1 AN ACT

2 relating to a disclosure of a financial interest by a committee  
3 member or the executive director of the Office of Rural Community  
4 Affairs.

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

6 SECTION 1. Subchapter C, Chapter 487, Government Code, is  
7 amended by adding Section 487.059 to read as follows:

8 Sec. 487.059. DISCLOSURE OF FINANCIAL INTEREST. (a) In this  
9 section:

10 (1) "Financial interest in an entity" includes holding  
11 an ownership interest in the entity or being employed by the entity.

12 (2) "Monetary award" means any money, fund, stipend,  
13 grant, scholarship, loan, or loan guarantee awarded under this  
14 chapter.

15 (b) If a member of the executive committee or another  
16 committee established under this chapter, including an advisory  
17 committee, has a financial interest in an entity that applies for a  
18 monetary award, the committee member shall, before a vote on the  
19 monetary award, disclose the fact of the member's financial  
20 interest. The committee shall enter the disclosure into the  
21 minutes of the meeting at which a vote on the monetary award is  
22 taken. The committee member may not vote on or otherwise  
23 participate in a discussion or any other activity that relates to  
24 awarding the monetary award. If the committee member does not

1 comply with this section, the entity is not eligible for the  
2 monetary award.

3 (c) If the executive director has a financial interest in an  
4 entity that applies for a monetary award, the executive director:

5 (1) shall, as soon as possible, disclose to the  
6 executive committee the fact of the director's financial interest;

7 (2) may not participate in staff evaluations regarding  
8 the monetary award; and

9 (3) if the executive director under office procedures  
10 has a vote on a matter that involves the monetary award:

11 (A) shall disclose the fact of the director's  
12 financial interest before a vote on the monetary award, which the  
13 committee shall enter into the minutes of the meeting at which a  
14 vote on the monetary award is taken; and

15 (B) may not vote on or otherwise participate in a  
16 discussion or any other activity that relates to awarding the  
17 monetary award.

18 (d) If the executive director does not comply with  
19 Subsection (c), the entity in which the executive director has a  
20 financial interest is not eligible for the monetary award.

21 SECTION 2. This Act takes effect immediately if it receives  
22 a vote of two-thirds of all the members elected to each house, as  
23 provided by Section 39, Article III, Texas Constitution. If this  
24 Act does not receive the vote necessary for immediate effect, this  
25 Act takes effect September 1, 2003.