

By: Solomons

H.B. No. 795

A BILL TO BE ENTITLED

AN ACT

relating to the functions of the Texas Ethics Commission.

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

ARTICLE 1. OPERATION OF TEXAS ETHICS COMMISSION

SECTION 1.01. Section 571.002, Government Code, is amended by adding Subdivision (2-a) to read as follows:

(2-a) "Executive director" means the executive director of the commission.

SECTION 1.02. Section 571.022, Government Code, is amended to read as follows:

Sec. 571.022. SUNSET PROVISION. The commission is subject to review under Chapter 325 (Texas Sunset Act), but is not abolished under that chapter. The commission shall be reviewed during the periods in which state agencies abolished in 2015 [~~2003~~] and every 12th year after that year are reviewed.

SECTION 1.03. Subchapter B, Chapter 571, Government Code, is amended by adding Sections 571.0231, 571.0271, and 571.030-571.0304 to read as follows:

Sec. 571.0231. GROUNDS FOR REMOVAL. (a) It is a ground for removal from the commission that a member:

(1) does not have at the time of taking office the qualifications required by Section 24a, Article III, Texas Constitution;

(2) does not maintain during service on the commission

1 the qualifications required by Section 24a, Article III, Texas
2 Constitution;

3 (3) is ineligible for membership under Section
4 571.030;

5 (4) cannot, because of illness or disability,
6 discharge the member's duties for a substantial part of the member's
7 term; or

8 (5) is absent from more than half of the regularly
9 scheduled commission meetings that the member is eligible to attend
10 during a calendar year without an excuse approved by a majority vote
11 of the commission.

12 (b) The validity of an action of the commission is not
13 affected by the fact that it is taken when a ground for removal of a
14 commission member exists.

15 (c) If the executive director has knowledge that a potential
16 ground for removal exists, the executive director shall notify the
17 presiding officer of the commission of the potential ground. The
18 presiding officer shall then notify the governor and the attorney
19 general that a potential ground for removal exists. If the
20 potential ground for removal involves the presiding officer, the
21 executive director shall notify the next highest ranking officer of
22 the commission, who shall then notify the governor and the attorney
23 general that a potential ground for removal exists.

24 Sec. 571.0271. COMMISSION MEMBER TRAINING. (a) A person
25 who is appointed to and qualifies for office as a member of the
26 commission may not vote, deliberate, or be counted as a member in
27 attendance at a meeting of the commission until the person

1 completes a training program that complies with this section.

2 (b) The training program must provide the person with
3 information regarding:

4 (1) the legislation that created the commission;

5 (2) the programs operated by the commission;

6 (3) the role and functions of the commission;

7 (4) the rules of the commission with an emphasis on the
8 rules that relate to disciplinary and investigatory authority;

9 (5) the current budget for the commission;

10 (6) the results of the most recent formal audit of the
11 commission;

12 (7) the requirements of:

13 (A) the open meetings law, Chapter 551;

14 (B) the public information law, Chapter 552;

15 (C) the administrative procedure law, Chapter
16 2001; and

17 (D) other laws relating to public officials,
18 including conflict-of-interest laws; and

19 (8) any applicable ethics policies adopted by the
20 commission.

21 (c) A person appointed to the commission is entitled to
22 reimbursement, as provided by the General Appropriations Act, for
23 the travel expenses incurred in attending the training program
24 regardless of whether the attendance at the program occurs before
25 or after the person qualifies for office.

26 Sec. 571.030. RESTRICTION ON COMMISSION MEMBERSHIP OR
27 EMPLOYMENT AS GENERAL COUNSEL. A person may not be a member of the

1 commission or act as the general counsel to the commission if the
2 person is required to register as a lobbyist under Chapter 305,
3 Government Code, because of the person's activities for
4 compensation on behalf of a profession related to the operation of
5 the commission.

6 Sec. 571.0301. SEPARATION OF RESPONSIBILITIES. The
7 commission shall develop and implement policies that clearly
8 separate the policymaking responsibilities of the commission and
9 the management responsibilities of the executive director and the
10 staff of the commission.

11 Sec. 571.0302. INFORMATION TO MEMBERS AND EMPLOYEES. The
12 executive director or the executive director's designee shall
13 provide to members and employees of the commission, as often as
14 necessary, information regarding the requirements for office or
15 employment under this chapter, including information regarding a
16 person's responsibilities under applicable laws relating to
17 standards of conduct for state officers or employees.

18 Sec. 571.0303. EQUAL EMPLOYMENT POLICY. (a) The executive
19 director or the executive director's designee shall prepare and
20 maintain a written policy statement that implements a program of
21 equal employment opportunity to ensure that all personnel decisions
22 are made without regard to race, color, disability, sex, religion,
23 age, or national origin.

24 (b) The policy statement must include:

25 (1) personnel policies, including policies relating
26 to recruitment, evaluation, selection, training, and promotion of
27 personnel, that show the intent of the commission to avoid the

1 unlawful employment practices described by Chapter 21, Labor Code;
2 and

3 (2) an analysis of the extent to which the composition
4 of the commission's personnel is in accordance with state and
5 federal law and a description of reasonable methods to achieve
6 compliance with state and federal law.

7 (c) The policy statement must:

8 (1) be updated annually;

9 (2) be reviewed by the state Commission on Human
10 Rights for compliance with Subsection (b)(1); and

11 (3) be filed with the governor's office.

12 Sec. 571.0304. TRAINING ON STATE EMPLOYEE INCENTIVE
13 PROGRAM. The executive director or the executive director's
14 designee shall provide to commission employees information and
15 training on the benefits and methods of participation in the State
16 Employee Incentive Program.

17 SECTION 1.04. Section 571.033, Government Code, is
18 renumbered as Section 571.0221, Government Code, and amended to
19 read as follows:

20 Sec. 571.0221 [~~571.033~~]. DISCRIMINATION PROHIBITED.
21 Appointments to the commission shall be made without regard to the
22 [This chapter may not be applied to discriminate on the basis of]
23 race, color, disability, sex, age, national origin, or religion of
24 the appointees.

25 SECTION 1.05. Subchapter C, Chapter 571, Government Code,
26 is amended by adding Sections 571.0671 and 571.078 to read as
27 follows:

1 Sec. 571.0671. PROPOSITION OF TECHNOLOGICAL SOLUTIONS. The
2 commission shall develop and implement a policy requiring the
3 executive director and commission employees to research and propose
4 appropriate technological solutions to improve the commission's
5 ability to perform its functions. The technological solutions
6 must:

7 (1) ensure that the public is able to easily find
8 information about the commission on the Internet;

9 (2) ensure that persons who want to use the
10 commission's services are able to:

11 (A) interact with the commission through the
12 Internet; and

13 (B) access any service that can be provided
14 effectively through the Internet; and

15 (3) be cost-effective and developed through the
16 commission's planning processes.

17 Sec. 571.078. NEGOTIATED RULEMAKING AND ALTERNATIVE
18 DISPUTE RESOLUTION. (a) The commission shall develop and
19 implement a policy to encourage the use of:

20 (1) negotiated rulemaking procedures under Chapter
21 2008 for the adoption of commission rules; and

22 (2) appropriate alternative dispute resolution
23 procedures under Chapter 2009 to assist in the resolution of
24 internal and external disputes under the commission's
25 jurisdiction.

26 (b) The commission's procedures relating to alternative
27 dispute resolution must conform, to the extent possible, to any

1 model guidelines issued by the State Office of Administrative
2 Hearings for the use of alternative dispute resolution by state
3 agencies.

4 (c) The commission shall designate a trained person to:

5 (1) coordinate the implementation of the policy
6 adopted under Subsection (a);

7 (2) serve as a resource for any training needed to
8 implement the procedures for negotiated rulemaking or alternative
9 dispute resolution; and

10 (3) collect data concerning the effectiveness of
11 those procedures, as implemented by the commission.

12 SECTION 1.06. Subchapter E, Chapter 571, Government Code,
13 is amended by adding Section 571.1211 to read as follows:

14 Sec. 571.1211. RULES REGARDING COMPLAINT PROCEDURES. (a)
15 The commission shall adopt rules governing the time in which and the
16 manner by which the commission shall ensure the timely processing
17 of complaints under this subchapter. The rules must:

18 (1) prescribe the maximum time permitted for a
19 respondent to respond to correspondence from the commission; and

20 (2) establish a process for the commission to
21 determine what action the commission will take if the respondent
22 does not respond within the prescribed time.

23 (b) Rules adopted under Subsection (a)(2) must require the
24 commission, in making its determination, to consider:

25 (1) the seriousness of the alleged violation; and

26 (2) the respondent's previous history, if any, of
27 violations of laws within the commission's jurisdiction.

1 SECTION 1.07. Section 571.122(a), Government Code, is
2 amended to read as follows:

3 (a) An individual may file with the commission a sworn
4 complaint, on a form prescribed by the commission, alleging that a
5 person subject to a law administered and enforced by the commission
6 has violated a rule adopted by or a law administered and enforced by
7 the commission. The commission shall make the complaint form
8 available on the Internet.

9 SECTION 1.08. Section 571.123, Government Code, is amended
10 by adding Subsection (b-1) to read as follows:

11 (b-1) If the commission determines that the complaint
12 complies with the form requirements, the written notice must also
13 state whether the commission has jurisdiction over the violation
14 alleged in the complaint.

15 SECTION 1.09. Sections 571.124(c), (e), and (f), Government
16 Code, are amended to read as follows:

17 (c) The executive director [~~commission by record vote~~]
18 shall determine in writing whether the commission has jurisdiction
19 over the violation of law alleged in a sworn complaint processed
20 under Section 571.123.

21 (e) If the executive director [~~commission~~] determines that
22 the commission has jurisdiction, the notice under Section
23 571.123(b) must include:

24 (1) a copy of the complaint and the rules of procedure
25 of the commission;

26 (2) a statement of the rights of the respondent;

27 (3) a statement inviting the respondent to provide to

1 the commission any information relevant to the complaint; and

2 (4) the date the commission will begin a preliminary
3 review of the complaint.

4 (f) If the executive director [~~commission~~] determines that
5 the commission does not have jurisdiction over the violation
6 alleged in the complaint, the executive director [~~commission~~]
7 shall:

8 (1) dismiss the complaint; and

9 (2) not later than the fifth business day after the
10 date of the dismissal, send to the complainant and the respondent
11 written notice of the dismissal and the grounds for the dismissal.

12 SECTION 1.10. Subchapter E, Chapter 571, Government Code,
13 is amended by adding Section 571.1241 to read as follows:

14 Sec. 571.1241. APPEAL OF EXECUTIVE DIRECTOR'S
15 DETERMINATION OF NO JURISDICTION. (a) If the executive director
16 determines that the commission does not have jurisdiction over the
17 violation alleged in the complaint, the complainant may file an
18 appeal to the commission. An appeal under this section must be
19 filed not later than the 30th day after the date the complainant
20 receives the executive director's determination.

21 (b) On receipt of an appeal under Subsection (a), the
22 commission shall promptly:

23 (1) schedule the appeal for hearing; and

24 (2) send to the complainant and the respondent written
25 notice of the date, time, and place of the appeal hearing.

26 (c) During a hearing under this section:

27 (1) the only issue that may be considered is whether

1 the commission has jurisdiction over the violation alleged in the
2 complaint; and

3 (2) the commission:

4 (A) may consider all submitted evidence related
5 to the complaint;

6 (B) may review any documents or material related
7 to the complaint; and

8 (C) shall determine whether the commission has
9 jurisdiction over the violation alleged in the complaint.

10 (d) During a hearing under this section, the respondent or
11 complainant may appear before the commission with the assistance of
12 counsel, if desired, and present any relevant evidence, including a
13 written statement.

14 (e) Not later than the fifth business day after the date of a
15 hearing under this section, the commission shall send written
16 notice to the complainant and the respondent stating whether the
17 commission has jurisdiction over the violation alleged in the
18 complaint.

19 (f) If the commission determines that the commission has
20 jurisdiction, the notice must include the items listed in Sections
21 571.124(e)(1) through (4).

22 (g) If the commission determines that the commission does
23 not have jurisdiction over the violation alleged in the complaint,
24 the commission shall:

25 (1) dismiss the complaint; and

26 (2) not later than the fifth business day after the
27 date of the dismissal, send to the complainant and the respondent

1 written notice of the dismissal and the grounds for the dismissal.

2 SECTION 1.11. Section 571.125, Government Code, is amended
3 to read as follows:

4 Sec. 571.125. PRELIMINARY REVIEW HEARING: PROCEDURE. (a)
5 The commission shall conduct a preliminary review hearing if:

6 (1) following the preliminary review, the commission
7 and the respondent cannot agree to the disposition of the complaint
8 or motion; or

9 (2) the respondent in writing requests a hearing.

10 (b) The commission shall provide written notice to the
11 complainant, if any, and the respondent of the date, time, and place
12 the commission will conduct the preliminary review hearing.

13 (c) During a preliminary review hearing, the commission:

14 (1) may consider all submitted evidence related to the
15 complaint or to the subject matter of a motion under Section
16 571.124(b);

17 (2) may review any documents or material related to
18 the complaint or to the motion; ~~and~~

19 (3) may submit written questions and require those
20 questions to be answered under oath; and

21 (4) shall determine whether there is credible evidence
22 that provides cause for the commission to conclude that a violation
23 within the jurisdiction of the commission has occurred.

24 (d) [~~b~~] During a preliminary review hearing, the
25 respondent may appear before the commission with the assistance of
26 counsel, if desired by the respondent, and present any relevant
27 evidence, including a written statement.

1 SECTION 1.12. The heading to Section 571.126, Government
2 Code, is amended to read as follows:

3 Sec. 571.126. PRELIMINARY REVIEW HEARING: RESOLUTION.

4 SECTION 1.13. Sections 571.126(a), (b), and (d), Government
5 Code, are amended to read as follows:

6 (a) As soon as practicable after the completion of a
7 preliminary review hearing, the commission by record vote shall
8 issue a decision stating:

9 (1) whether there is credible evidence for the
10 commission to determine that a violation within the jurisdiction of
11 the commission has occurred and whether the violation is technical
12 or de minimis; or

13 (2) that there is insufficient evidence for the
14 commission to determine whether a violation within the jurisdiction
15 of the commission has occurred.

16 (b) If the commission determines that there is credible
17 evidence for the commission to determine that a violation has
18 occurred, the commission shall resolve and settle the complaint or
19 motion to the extent possible. If the commission successfully
20 resolves and settles the complaint or motion, not later than the
21 fifth business day after the date of the final resolution of the
22 complaint or motion, the commission shall send to the complainant,
23 if any, and the respondent a copy of the decision stating the
24 commission's determination and written notice of the resolution and
25 the terms of the resolution. If the commission is unsuccessful in
26 resolving and settling the complaint or motion, the commission [~~in~~
27 ~~its discretion~~] shall:

1 (1) order a formal [~~an informal~~] hearing to be held in
2 accordance with Sections 571.129 through 571.132 [~~Section~~
3 ~~571.127~~]; and

4 (2) not later than the fifth business day after the
5 date of the decision, send to the complainant, if any, and the
6 respondent:

7 (A) a copy of the decision;

8 (B) [~~and~~] written notice of the date, time, and
9 place of the formal [~~informal~~] hearing;

10 (C) a statement of the nature of the alleged
11 violation;

12 (D) a description of the evidence of the alleged
13 violation;

14 (E) a copy of the complaint or motion;

15 (F) a copy of the commission's rules of
16 procedure; and

17 (G) a statement of the rights of the respondent.

18 (d) If the commission determines that there is insufficient
19 credible evidence for the commission to determine that a violation
20 within the jurisdiction of the commission has occurred, the
21 commission may dismiss the complaint or motion or promptly conduct
22 a formal [~~an informal~~] hearing under Sections 571.129 through
23 571.132 [~~Section 571.127~~]. Not later than the fifth business day
24 after the date of the commission's determination under this
25 subsection, the commission shall send to the complainant, if any,
26 and the respondent a copy of the decision stating the commission's
27 determination and written notice of the grounds for the

1 determination.

2 SECTION 1.14. Subchapter E, Chapter 571, Government Code,
3 is amended by amending Sections 571.135 and 571.136 and adding
4 Section 571.1351 to read as follows:

5 Sec. 571.135. PUBLIC INTEREST INFORMATION[~~7 STATUS OF~~
6 ~~COMPLAINT~~]. (a) The commission shall develop plain-language
7 materials as described by this section [~~prepare information of~~
8 ~~public interest describing the functions of the commission and the~~
9 ~~procedures by which sworn or other complaints are filed with and~~
10 ~~resolved by the commission~~]. The commission shall distribute the
11 materials [~~make the information available~~] to the public and
12 appropriate state agencies.

13 (b) The materials must include:

14 (1) a description of:

15 (A) the commission's responsibilities;

16 (B) the types of conduct that constitute a
17 violation of a law within the jurisdiction of the commission;

18 (C) the types of sanctions the commission may
19 impose;

20 (D) the commission's policies and procedures
21 relating to complaint investigation and resolution; and

22 (E) the duties of a person filing a complaint
23 with the commission; and

24 (2) a diagram showing the basic steps in the
25 commission's procedures relating to complaint investigation and
26 resolution.

27 (c) The commission shall provide the materials described by

1 this section to each complainant and respondent.

2 (d) The commission shall adopt a policy to effectively
3 distribute materials as required by this section.

4 Sec. 571.1351. STATUS OF COMPLAINT. (a) [~~(b)~~] The
5 commission shall keep an information file about each sworn or other
6 complaint filed with the commission. The file must include:

7 (1) the name of the person who filed the complaint;

8 (2) the date the complaint is received by the
9 commission;

10 (3) the subject matter of the complaint;

11 (4) the name of each person contacted in relation to
12 the complaint;

13 (5) a summary of the results of the review or
14 investigation of the complaint; and

15 (6) an explanation of the reason the file was closed,
16 if the commission closed the file without taking action other than
17 to investigate the complaint.

18 (b) The commission shall provide to the person filing the
19 complaint and to each person who is a subject of the complaint a
20 copy of the commission's policies and procedures relating to
21 complaint investigation and resolution.

22 (c) In addition to the notice required by Sections 571.124
23 through 571.132, the commission, at least quarterly [~~and~~] until
24 final disposition of a complaint, shall notify the person who filed
25 the complaint [~~complainant~~] and each person who is a subject of the
26 complaint [~~the respondent~~], if any, of the status of the sworn or
27 other complaint.

1 Sec. 571.136. EXTENSION OF DEADLINE. The commission may,
2 on its own motion or on the reasonable request of a respondent,
3 extend any deadline for action relating to a sworn complaint,
4 motion, preliminary review[~~7~~, ~~informal~~] hearing, or formal hearing.

5 SECTION 1.15. Section 571.137, Government Code, is amended
6 by amending Subsection (a) and adding Subsections (a-1) and (a-2)
7 to read as follows:

8 (a) In connection with [~~an informal or~~] a formal hearing,
9 the commission, as authorized by this chapter, may subpoena and
10 examine witnesses and documents that directly relate to a sworn
11 complaint.

12 (a-1) In connection with a preliminary review, the
13 commission, for good cause and as authorized by this chapter, may
14 subpoena documents that directly relate to a sworn complaint. The
15 commission shall adopt guidelines for the issuance of subpoenas
16 under this subsection.

17 (a-2) A copy of a subpoena issued under this section [~~of the~~
18 ~~commission~~] must be delivered to the respondent.

19 SECTION 1.16. Section 571.138, Government Code, is amended
20 to read as follows:

21 Sec. 571.138. STATUS OF COMPLAINANT. The complainant is
22 not a party to a preliminary review[~~7~~, ~~informal~~] hearing[~~7~~] or
23 formal hearing under this subchapter.

24 SECTION 1.17. Sections 571.139(a) and (b), Government Code,
25 are amended to read as follows:

26 (a) Except as provided by Section 571.140(b), Chapter 552
27 does not apply to documents or any additional evidence relating to

1 the processing, preliminary review[~~, informal~~] hearing, or
2 resolution of a sworn complaint or motion.

3 (b) Chapter 551 does not apply to the processing,
4 preliminary review[~~, informal~~] hearing, or resolution of a sworn
5 complaint or motion, but does apply to a formal hearing held under
6 Sections 571.129 through 571.131.

7 SECTION 1.18. Section 571.140, Government Code, is amended
8 by amending Subsections (a) and (b) and adding Subsection (a-1) to
9 read as follows:

10 (a) Except as provided by Subsection (a-1) or (b) or by
11 Section 571.141 or 571.171, proceedings at a preliminary review [~~or~~
12 ~~informal~~] hearing performed by the commission, a sworn complaint,
13 and documents and any additional evidence relating to the
14 processing, preliminary review[~~, informal~~] hearing, or resolution
15 of a sworn complaint or motion are confidential and may not be
16 disclosed unless entered into the record of a formal hearing or a
17 judicial proceeding, except that a document or statement that was
18 previously public information remains public information.

19 (a-1) An employee of the commission may disclose
20 information made confidential under Subsection (a) if:

21 (1) the employee is investigating a sworn complaint or
22 motion;

23 (2) disclosure of the information is necessary to
24 conduct the investigation; and

25 (3) the employee acts in good faith to maintain the
26 confidentiality of the information to the greatest extent possible.

27 (b) An order issued by the commission after the completion

1 of a preliminary review [~~or an informal~~] hearing determining that a
2 violation other than a technical or de minimis violation has
3 occurred is not confidential.

4 SECTION 1.19. Subchapter E, Chapter 571, Government Code,
5 is amended by adding Sections 571.141 and 571.142 to read as
6 follows:

7 Sec. 571.141. DISCLOSURE OF CONFIDENTIAL INFORMATION TO
8 STATE COMMISSION ON JUDICIAL CONDUCT OR STATE BAR OF TEXAS. (a) To
9 the extent necessary for the recipient of the information to
10 perform an official duty or function, the Texas Ethics Commission
11 may disclose information relating to an investigation or proceeding
12 under this chapter to:

13 (1) the State Commission on Judicial Conduct, if the
14 person to whom the investigation or proceeding relates is a
15 judicial officer or a candidate for judicial office; or

16 (2) the State Bar of Texas, if the person to whom the
17 investigation or proceeding relates is licensed to practice law in
18 this state.

19 (b) The Texas Ethics Commission may disclose confidential
20 information under this section on its own motion or at the request
21 of the State Commission on Judicial Conduct or the state bar.

22 (c) Information disclosed to the State Commission on
23 Judicial Conduct or the state bar under this section remains
24 confidential, and Section 571.140 applies to an officer or employee
25 of the State Commission on Judicial Conduct or the state bar as if
26 the person were an officer or employee of the Texas Ethics
27 Commission.

1 Sec. 571.142. AVAILABILITY OF COMMISSION ORDERS ON
2 INTERNET. (a) As soon as practicable following a preliminary
3 review hearing or formal hearing at which the commission determines
4 that a person has committed a violation within the commission's
5 jurisdiction, the commission shall make available on the Internet:

6 (1) a copy of the commission's order stating the
7 determination; or

8 (2) a summary of the commission's order.

9 (b) This section does not apply to a determination of a
10 violation that is technical or de minimis.

11 SECTION 1.20. Section 571.171, Government Code, is amended
12 to read as follows:

13 Sec. 571.171. INITIATION AND REFERRAL. (a) On a motion
14 adopted by an affirmative record vote of at least six commission
15 members, the commission may initiate civil enforcement actions and
16 refer matters to the appropriate prosecuting attorney for criminal
17 prosecution.

18 (b) If after a preliminary investigation of a complaint the
19 executive director reasonably believes that the person who is the
20 subject of the complaint has violated a criminal statute, the
21 executive director shall refer the matter to the appropriate
22 prosecuting attorney for criminal prosecution.

23 (c) In making a referral to a prosecuting attorney under
24 this section, the commission or executive director may disclose
25 confidential information.

26 ARTICLE 2. LOBBYIST AND CAMPAIGN FINANCE REPORTING

27 SECTION 2.01. Section 305.006(a), Government Code, is

1 amended to read as follows:

2 (a) Each registrant shall file with the commission a
3 written, verified report [~~on a form prescribed by the commission~~]
4 concerning the activities described by this section.

5 SECTION 2.02. Subchapter A, Chapter 305, Government Code,
6 is amended by adding Section 305.0064 to read as follows:

7 Sec. 305.0064. ELECTRONIC FILING OF ACTIVITY REPORTS. (a)
8 Except as provided by Subsection (b) or (c), each report filed under
9 Section 305.006 must be filed by computer diskette, modem, or other
10 means of electronic transfer, using computer software provided by
11 the commission or computer software that meets commission
12 specifications for a standard file format.

13 (b) The commission shall adopt rules under which a
14 registrant may file paper reports on a form prescribed by the
15 commission. The rules must be designed to ensure that:

16 (1) use of the electronic filing system under
17 Subsection (a) is maximized; and

18 (2) registrants may file paper reports for good cause
19 only.

20 (c) The commission shall implement an electronic filing
21 system under Subsection (a) not later than January 1, 2005. The
22 commission by rule shall identify the first reporting period under
23 Section 305.007 for which a report must be made as required by
24 Subsection (a). This subsection expires January 1, 2005.

25 (d) A registration fee under Section 305.005(c)(1) or (2)
26 for the calendar years 2004 and 2005 is increased by an amount
27 determined by the commission as sufficient to generate additional

1 revenue necessary to develop and implement an electronic filing
2 system under Subsection (a). The commission may impose a different
3 increase for each fee under Section 305.005(c). This subsection
4 expires January 1, 2006.

5 SECTION 2.03. Chapter 252, Election Code, is amended by
6 adding Section 252.0131 to read as follows:

7 Sec. 252.0131. TERMINATION OF CANDIDATE'S CAMPAIGN
8 TREASURER APPOINTMENT BY COMMISSION. (a) The commission by rule
9 shall adopt a process by which the commission may terminate the
10 campaign treasurer appointment of a candidate who:

11 (1) is required to file a campaign treasurer
12 appointment with the commission;

13 (2) has never filed or has ceased to file reports under
14 Chapter 254; and

15 (3) has not filed a final report under Section
16 254.065.

17 (b) Before the commission may terminate a candidate's
18 campaign treasurer appointment, the commission must consider the
19 proposed termination in a regularly scheduled open meeting.

20 (c) Rules adopted under this section must:

21 (1) specify the minimum time following a candidate's
22 last report under Chapter 254 before the commission may propose
23 terminating the candidate's campaign treasurer appointment; and

24 (2) require written notice to the affected candidate
25 of:

26 (A) the proposed termination of the candidate's
27 campaign treasurer appointment;

1 (B) the date, time, and place of the meeting at
2 which the commission will consider the proposed termination; and

3 (C) the effect of termination of the candidate's
4 campaign treasurer appointment.

5 (d) The termination of a campaign treasurer appointment
6 under this section takes effect on the 30th day after the date of
7 the commission meeting at which the commission votes to terminate
8 the appointment. Following that meeting, the commission shall
9 promptly notify the affected candidate that the appointment has
10 been terminated. The notice must state the effective date of the
11 termination.

12 SECTION 2.04. Section 254.036(c), Election Code, is amended
13 to read as follows:

14 (c) A candidate, officeholder, or political committee that
15 is required to file reports with the commission may file reports
16 that comply with Subsection (a) if the candidate, officeholder, or
17 campaign treasurer of the committee files with the commission an
18 affidavit stating that the candidate, officeholder, or committee,
19 an agent of the candidate, officeholder, or committee, or a person
20 with whom the candidate, officeholder, or committee contracts does
21 not use computer equipment to keep the current records of political
22 contributions, political expenditures, or persons making political
23 contributions to the candidate, officeholder, or committee and that
24 the candidate, officeholder, or committee does not in a calendar
25 year accept political contributions that in the aggregate exceed
26 the amount prescribed by commission rule or make political
27 expenditures that in the aggregate exceed the amount prescribed by

1 commission rule. An affidavit under this subsection must be filed
2 with each report filed under Subsection (a). The affidavit must
3 include a statement that the candidate, officeholder, or political
4 committee understands that the candidate, officeholder, or
5 committee shall file reports as required by Subsection (b) if:

6 (1) the candidate, officeholder, or committee, a
7 consultant of the candidate, officeholder, or committee, or a
8 person with whom the candidate, officeholder, or committee
9 contracts uses computer equipment for a purpose described by this
10 subsection; or

11 (2) the candidate, officeholder, or committee exceeds
12 in a calendar year the prescribed amount in political contributions
13 or political expenditures [~~the candidate, officeholder, or~~
14 ~~committee is required to file reports under Subsection (b)].~~

15 SECTION 2.05. Section 254.0361, Election Code, is
16 transferred to Subchapter C, Chapter 571, Government Code, is
17 redesignated as Section 571.0671, Government Code, and is amended
18 to read as follows:

19 Sec. 571.0671 [~~254.0361~~]. REQUIREMENTS FOR ELECTRONIC
20 FILING SOFTWARE. (a) Computer software provided or approved by the
21 commission for use under Section 254.036(b), Election Code, or
22 Section 305.0064 must:

23 (1) use a standardized format for the entry of names,
24 addresses, and zip codes;

25 (2) provide for secure and encoded transmission of
26 data from the computer of a person filing a report to the computers
27 used by the commission;

1 (3) provide confirmation to a person filing a report
2 that the report was properly received [~~be capable of being used by a~~
3 ~~person with basic computing skills who uses a computer that uses a~~
4 ~~Windows operating system, Macintosh operating system, or another~~
5 ~~operating system that the commission determines is as popular as~~
6 ~~those systems for use with personal computers~~]; and

7 (4) permit a person using a computer to prepare a
8 report or to retrieve information from a report to import
9 information to the report from a variety of computer software
10 applications that meet commission specifications for a standard
11 file format or export information from the report to a variety of
12 computer software applications that meet commission specifications
13 for a standard file format without the need to reenter information.

14 (b) Before determining the specifications for computer
15 software developed, purchased, or licensed for use under Section
16 254.036, Election Code, or Section 305.0064, the commission shall
17 conduct at least one public hearing to discuss the specifications.
18 For at least 10 days following the hearing, the commission shall
19 accept public comments concerning the software specifications.

20 (c) The commission may provide software for use under
21 Section 254.036(b), Election Code, or Section 305.0064 by making
22 the software available on the Internet. If the commission makes the
23 software available on the Internet, the commission is not required
24 to provide the software on computer diskettes, CD-ROMs, or other
25 storage media without charge to persons required to file reports
26 under that section, but may charge a reasonable fee for providing
27 the software on storage media.

1 ARTICLE 3. REPEALER; TRANSITION; EFFECTIVE DATE

2 SECTION 3.01. The following provisions are repealed:

3 (1) Sections 571.124(d), 571.127, and 571.128,
4 Government Code; and

5 (2) Section 254.036(g), Election Code.

6 SECTION 3.02. Sections 571.0271 and 571.030, Government
7 Code, as added by this Act, do not affect the entitlement of a
8 member of the Texas Ethics Commission serving on the commission
9 immediately before September 1, 2003, to continue to serve and
10 function as a member of the commission for the remainder of the
11 member's term. Sections 571.0271 and 571.030, Government Code, as
12 added by this Act, apply only to a member appointed on or after
13 September 1, 2003.

14 SECTION 3.03. This Act takes effect September 1, 2003.