

1-1 By: Wilson (Senate Sponsor - Harris) H.B. No. 3149
1-2 (In the Senate - Received from the House April 28, 2003;
1-3 May 1, 2003, read first time and referred to Committee on
1-4 Government Organization; May 2, 2003, rereferred to Committee on
1-5 Administration; May 9, 2003, reported favorably, as amended, by
1-6 the following vote: Yeas 5, Nays 0; May 9, 2003, sent to printer.)

1-7 COMMITTEE AMENDMENT NO. 1 By: Harris

1-8 Amend HB 3149 as follows:

1-9 (1) On page 1, line 25, insert "by a client" between
1-10 "employed" and "to".

1-11 (2) On page 1, line 56, insert "own interest" between
1-12 "concern's" and "or".

1-13 (3) On page 1, line 57, insert "business" between "own" and
1-14 "interests".

1-15 A BILL TO BE ENTITLED
1-16 AN ACT

1-17 relating to conflicts of interest involving lobbyists.

1-18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-19 SECTION 1. Sections 305.028(a), (b), (c), and (f),
1-20 Government Code, are amended to read as follows:

1-21 (a) In this section:

1-22 (1) "Client" means a person or entity for which the
1-23 registrant is registered or is required to be registered.

1-24 (2) "Matter" means the subject matters for which a
1-25 registrant has been reimbursed, retained, or employed to
1-26 communicate directly with a member of the legislative or executive
1-27 branch.

1-28 (3) "Person associated with the registrant" or "other
1-29 associated person" means a partner or other person professionally
1-30 associated with the registrant through a common business entity,
1-31 other than a client, that reimburses, retains, or employs the
1-32 registrant.

1-33 (b) Except as permitted by Subsection (c), a registrant may
1-34 not represent a client ~~[opposing parties]~~ in communicating directly
1-35 with a member of the legislative or executive branch to influence
1-36 legislative subject matter ~~[the same legislation]~~ or
1-37 administrative action~~[-~~

1-38 ~~[(b) Except as permitted by Subsection (c), a registrant may~~
1-39 ~~not represent a person in communicating directly with a member of~~
1-40 ~~the legislative or executive branch to influence legislation or~~
1-41 ~~administrative action]~~ if the representation of that client
1-42 ~~[person]:~~

1-43 (1) involves a substantially related matter in which
1-44 that client's ~~[person's]~~ interests are materially and directly
1-45 adverse to the interests of:

1-46 (A) another client of the registrant;

1-47 (B) an employer or concern employing the
1-48 registrant; or

1-49 (C) another client of a ~~[partner or other]~~ person
1-50 associated with the registrant; or

1-51 (2) reasonably appears to be ~~[or potentially be]~~
1-52 adversely limited by:

1-53 (A) the registrant's, the employer's or
1-54 concern's, or the ~~[partner's or]~~ other associated person's
1-55 responsibilities to another client ~~[or to a third person];~~ or

1-56 (B) the registrant's, employer's or concern's, or
1-57 ~~[partner's or]~~ other associated person's own interests.

1-58 (c) A registrant may represent a client in the circumstances
1-59 described in Subsection ~~[(a) or]~~ (b) if:

1-60 (1) the registrant reasonably believes the
1-61 representation of each client will not be materially affected;

1-62 (2) not later than the second business day after the

2-1 date the registrant becomes aware of a ~~[an actual or potential]~~
2-2 conflict described by Subsection ~~[(a) or]~~ (b), the registrant
2-3 provides written notice, in the manner required by the commission,
2-4 to each affected ~~[or potentially affected]~~ client; and

2-5 (3) not later than the 10th day after the date the
2-6 registrant becomes aware of a ~~[an actual or potential]~~ conflict
2-7 described by Subsection ~~[(a) or]~~ (b), the registrant files with the
2-8 commission a statement that:

2-9 (A) indicates [indicating] that there is a [an
2-10 actual or potential] conflict;

2-11 (B) states [and] that the registrant has notified
2-12 each affected ~~[or potentially affected]~~ client as required by
2-13 Subdivision (2); and

2-14 (C) states the name and address of each affected
2-15 client.

2-16 (f) In each report filed with the commission, a registrant
2-17 shall, under oath, affirm that the registrant has, to the best of
2-18 the registrant's knowledge, complied with this section.

2-19 SECTION 2. Section 305.031(c), Government Code, is
2-20 repealed.

2-21 SECTION 3. Section 305.028, Government Code, as amended by
2-22 this Act, applies only to a conflict of interest that arises on or
2-23 after September 1, 2003. A conflict of interest that arises before
2-24 September 1, 2003, is covered by the law in effect when the conflict
2-25 arose, and the former law is continued in effect for that purpose.

2-26 SECTION 4. This Act takes effect September 1, 2003.

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