

AN ACT

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

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

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

Sec. 487.059. DISCLOSURE OF FINANCIAL INTEREST OR EMPLOYMENT. (a) In this section:

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

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

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

1 comply with this subsection, 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 (e) Subsections (f) and (g) apply only to a member of the
22 executive committee who is employed by:

23 (1) an entity that offers to enter into a contract with
24 the office; or

25 (2) an entity that is under common ownership or
26 governance with or otherwise affiliated with an entity that applies
27 for a monetary award or offers to enter into a contract with the

1 office.

2 (f) The executive committee member shall, before a vote on
3 the monetary award or contract, disclose the fact of the member's
4 employment by the entity. The executive committee shall enter the
5 disclosure into the minutes of the meeting at which a vote on the
6 monetary award or contract is taken. The executive committee
7 member may not vote on or otherwise participate in a discussion or
8 any other activity that relates to awarding the monetary award or
9 contract.

10 (g) If the executive committee member does not comply with
11 Subsection (f), the entity is not eligible to be awarded the
12 monetary award or contract.

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

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 755 passed the Senate on April 10, 2003, by the following vote: Yeas 31, Nays 0; May 31, 2003, Senate refused to concur in House amendments and requested appointment of Conference Committee; May 31, 2003, House granted request of the Senate; June 1, 2003, Senate adopted Conference Committee Report by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 755 passed the House, with amendments, on May 28, 2003, by the following vote: Yeas 138, Nays 0, two present not voting; May 31, 2003, House granted request of the Senate for appointment of Conference Committee; June 1, 2003, House adopted Conference Committee Report by the following vote: Yeas 144, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor