## Amend HB 914 as follows:

(1) Between Sections 1 and 2 of the bill (Senate committee report, page 4, between lines 40 and 41), insert the following new sections, appropriately numbered:

SECTION \_\_. Section 11.064, Education Code, as added by Chapter 249, Acts of the 78th Legislature, Regular Session, 2003, is redesignated as Subchapter C-1, Chapter 11, Education Code, and amended to read as follows:

## SUBCHAPTER C-1. FILING OF FINANCIAL STATEMENT BY TRUSTEES

Sec. <u>11.101</u>. [<u>11.064</u>. <u>FILING OF</u>] FINANCIAL STATEMENT REQUIRED IN DISTRICTS WITH ENROLLMENT OF AT LEAST 5,000 STUDENTS. A trustee of an independent school district with an enrollment of at least 5,000 students shall file the financial statement required of state officers under Subchapter B, Chapter 572, Government Code, with:

- (1) the board of trustees of the district; and
- (2) the Texas Ethics Commission.

Sec. 11.102. FILING OF FINANCIAL STATEMENT REQUIRED BY BOARD RESOLUTION [BY TRUSTEE]. (a) The board of trustees of an independent school district, other than a district to which Section 11.101 applies, may by resolution adopted by majority vote [may] require each member of the board to file the financial statement required of state officers under Subchapter B, Chapter 572, Government Code, with:

- (1) the board of trustees; and
- (2) the Texas Ethics Commission.

- $\underline{\text{(b)}}$  [(a=1)] Not later than the 15th day after the date a board of trustees adopts a resolution under Subsection (a), the board shall deliver a certified copy of the resolution to the Texas Ethics Commission.
- (c) [(a-2)] A resolution adopted under Subsection (a) applies beginning on January 1 of the second year following the year in which the resolution is adopted. A member of a board of trustees that has adopted a resolution under Subsection (a) is not required to include, in a financial disclosure statement under this section, financial activity occurring before January 1 of the year following the year in which the resolution is adopted.
- Sec. 11.103. FINANCIAL STATEMENT REQUIRED ON ORDER OF COMMISSIONER. (a) [(a=3)] The commissioner by order shall require the members of the board of trustees of an independent school district, other than a district to which Section 11.101 applies, to file the financial statement required of state officers under Subchapter B, Chapter 572, Government Code, [in the same manner as the members of a board of trustees that have adopted a resolution under Subsection (a)] if the commissioner determines that:
- (1) a board member has failed to comply with filing and recusal requirements applicable to the member under Chapter 171, Local Government Code;
- (2) the district financial accounting practices are not adequate to safeguard state and district funds; or
- (3) the district has not met a standard set by the commissioner in the financial accountability rating system <u>under Subchapter I, Chapter 39</u>.
- (b) [(a=4)] The commissioner may require filing financial statements under Subsection (a) [(a=3)] covering not more than three fiscal years and beginning on January 1 of the second year following the date of the commissioner's order. A member of a board of trustees subject to an order issued under Subsection (a) [(a=3)] is not required to include, in a financial disclosure statement subject to this section, financial activity occurring before January 1 of the year following the year in which the order is issued.

- (c) The commissioner may renew the requirement to file a financial statement if the commissioner determines that a condition described by Subsection (a) [(c)] continues to exist.
- Sec. 11.104. APPLICABILITY OF GOVERNMENT CODE.
  [(b)] Subchapter B, Chapter 572, Government Code:
- (1) applies to a trustee subject to this <u>subchapter</u> [section] as if the trustee were a state officer; and
- (2) governs the contents, timeliness of filing, and public inspection of a statement filed under this <u>subchapter</u> [section].
- Sec. 11.105. OFFENSE. (a) [(c)] A trustee serving in a school district to which Section 11.101 applies, a district that has adopted a resolution under Section 11.102, [Subsection (a)] or a district that is subject to an order issued under Section 11.103 [Subsection (a-3)] commits an offense if the trustee fails to file the statement required by Section 11.101, 11.102, or 11.103, as applicable [the resolution or order].
  - (b) An offense under this section is a Class B misdemeanor.
- SECTION \_\_. Section 11.101, Education Code, as added by this Act, applies beginning January 1, 2007. A trustee subject to Section 11.101, Education Code, as added by this Act, is not required to include financial activity occurring before January 1, 2006, in a financial disclosure statement required under Section 11.101, Education Code, as added by this Act.
- (2) Between Sections 3 and 4 of the bill (Senate committee report, page 4, between lines 51 and 52), insert the following new section, appropriately numbered:

SECTION \_\_\_\_\_. Section 11.064, Education Code, as amended by this Act, applies beginning January 1, 2007. A trustee subject to Section 11.064, Education Code, as amended by this Act, is not required to include financial activity occurring before January 1, 2006, in a financial disclosure statement under that section.

(3) Renumber the sections of the bill accordingly.

ELLIS