

AN ACT

relating to prohibited conflicts of interest of registered lobbyists.

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

SECTION 1. Section 305.028, Government Code, is amended by amending Subsection (b) and adding Subsections (c-1) and (k) to read as follows:

(b) Except as permitted by Subsection (c) or (c-1), a registrant may not represent a client in communicating directly with a member of the legislative or executive branch to influence legislative subject matter or administrative action if the representation of that client:

(1) involves a substantially related matter in which that client's interests are materially and directly adverse to the interests of:

(A) another client of the registrant;

(B) an employer or concern employing the registrant; or

(C) another client of a person associated with the registrant; or

(2) reasonably appears to be adversely limited by:

(A) the registrant's, the employer's or concern's, or the other associated person's responsibilities to another client; or

1 (B) the registrant's, employer's or concern's own  
2 interest, or other associated person's own business interests.

3 (c-1) A registrant may represent a client in the  
4 circumstances described in Subsection (b) without regard to  
5 whether the registrant reasonably believes the representation of  
6 each client will be materially affected if:

7 (1) the registrant provides the written notice to each  
8 affected client as described by Subsection (c)(2) and files the  
9 statement described by Subsection (c)(3); and

10 (2) after the registrant has provided the written  
11 notice described by Subsection (c)(2), each affected client of the  
12 registrant consents to the conflict and grants the registrant  
13 permission to continue the representation.

14 (k) The commission may adopt rules to implement this section  
15 consistent with this chapter, the Texas Disciplinary Rules of  
16 Professional Conduct, and the common law of agency.

17 SECTION 2. Section 305.031(a), Government Code, is amended  
18 to read as follows:

19 (a) A person commits an offense if the person intentionally  
20 or knowingly violates a provision of this chapter other than  
21 Section [~~305.0011, 305.0127~~] 305.022[7] or 305.028. An offense  
22 under this subsection is a Class A misdemeanor.

23 SECTION 3. Sections 305.0011 and 305.028(i), Government  
24 Code, are repealed.

25 SECTION 4. This Act takes effect September 1, 2005.

H.B. No. 2202

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President of the Senate

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Speaker of the House

I certify that H.B. No. 2202 was passed by the House on April 29, 2005, by a non-record vote.

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Chief Clerk of the House

I certify that H.B. No. 2202 was passed by the Senate on May 16, 2005, by the following vote: Yeas 30, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor