## BILL ANALYSIS

Senate Research Center 80R4197 ESH-D H.B. 2589 By: McCall, Madden (Harris) State Affairs 5/12/2007 Engrossed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law states that any Texas Ethics Commission (commission) statement, registration, or report turned in after the deadline is considered late. Therefore, a person can still be fined if the person, in good faith, chooses to correct an error or omission in such a commission document. Current law needs to be changed in order to allow a person who wants to correct an honest mistake in a commission document to do so without being penalized.

H.B. 2589 clarifies that a correction to certain Texas Ethics Commission statements, registrations, and reports is not considered late if the error was made in good faith and the report is corrected within 14 days of discovering the error. Furthermore, the person is required to sign an affidavit stating that the error was made in good faith.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 571.0771, Government Code, by amending Subsections (a) and (b) and adding Subsection (c), as follows:

(a) Provides that a statement, registration, or report required that is filed with the Texas Ethics Commission is not considered to be late for purposes of any applicable civil penalty for late filing of such documents if any error or omission in the document as originally filed was made in good faith and, not later than the 14th day after the date the person filing the document learns that the document as originally filed is inaccurate or incomplete, the person files a corrected or amended document and files an affidavit stating that the error or omission in the document, as originally filed, to substantially comply with the applicable law in order for this provision to apply.

(b) Provides that Subsection (a), rather than this section, does not apply to certain penalties imposed under this chapter (Texas Ethics Commission) and certain reports required to be filed under Chapter 254 (Political Reporting), Election Code.

(c) Sets forth the circumstances that determine whether certain reports required to be filed under Chapter 254, Election Code, are not considered to be late for purposes of any applicable civil penalty for late filing of the report.

SECTION 2. Repealer: Sections 571.0771(b-1) and (b-2) (regarding whether certain reports comply with the applicable law), Government Code.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Effective date: September 1, 2007.