

By: Menendez

H.B. No. 393

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to reporting of gifts to public officials; imposing a  
3 penalty.

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

5 SECTION 1. Section 572.022, Government Code, is amended by  
6 adding Subsections (d) and (e) to read as follows:

7 (d) For a gift of cash or a cash equivalent such as a  
8 negotiable instrument or gift certificate that is reported in  
9 accordance with Section 572.023(b)(7), the individual filing the  
10 statement shall include in the description of the gift a statement  
11 of the value of the gift.

12 (e) For a gift that is reported in accordance with Section  
13 572.023(b)(7), other than a gift described by Subsection (d), the  
14 individual filing the statement shall include in the description of  
15 the gift:

16 (1) a statement that clearly specifies the kind of  
17 gift received; and

18 (2) a statement of the fair market value of the gift  
19 received.

20 SECTION 2. The heading of Section 572.022, Government Code,  
21 is amended to read as follows:

22 Sec. 572.022. REPORTING CATEGORIES; REQUIRED DESCRIPTIONS.

23 SECTION 3. Section 572.022(d), Government Code, as added by  
24 this Act, applies only to a financial statement required to be filed

1 under Subchapter B, Chapter 572, Government Code, on or after  
2 January 1, 2008. A financial statement required to be filed under  
3 Subchapter B, Chapter 572, Government Code, before January 1, 2008,  
4 is governed by the law in effect immediately before the effective  
5 date of this Act, and the former law is continued in effect for that  
6 purpose.

7 SECTION 4. The heading of Section 572.033, Government Code,  
8 is amended to read as follows:

9 Sec. 572.033. CIVIL PENALTY FOR LATE FILING.

10 SECTION 5. Subchapter B, Chapter 572, Government Code, is  
11 amended by adding Section 572.0331 to read as follows:

12 Sec. 572.0331. CIVIL PENALTY FOR FAILURE TO CORRECTLY  
13 REPORT GIFT. (a) In addition to the other penalties prescribed by  
14 this chapter, an individual is liable to the state for a civil  
15 penalty if the individual receives a gift the individual is  
16 required to report under Section 572.023(b)(7) and the individual  
17 knowingly:

18 (1) fails to report the gift in the manner required by  
19 Section 572.022(d) or (e);

20 (2) states a value for a gift of cash or a cash  
21 equivalent that is less than the value of the gift; or

22 (3) states a value for a gift other than a gift  
23 described by Subdivision (2) that is less than the fair market value  
24 of the gift.

25 (b) The commission by order may determine that a civil  
26 penalty under this section is owed. The amount of the penalty is  
27 equal to two times the value or fair market value, as applicable, of

1 the gift required to be reported.

2 (c) At the request of the commission, the attorney general  
3 may bring an action to recover a penalty under this section. In an  
4 action under this subsection, the attorney general may recover, in  
5 addition to the amount of the penalty, investigation and court  
6 costs, reasonable attorney's fees, witness fees, and other  
7 expenses.

8 SECTION 6. This Act takes effect September 1, 2007.