

By: Burnam

H.B. No. 2789

A BILL TO BE ENTITLED

1 AN ACT

2 relating to reporting of certain occupational income by public
3 officers, candidates for public office, and state chairs of
4 political parties.

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

6 SECTION 1. Section 572.023, Government Code, is amended by
7 amending Subsection (b) and adding Subsections (e) and (f) to read
8 as follows:

9 (b) The account of financial activity consists of:

10 (1) a list of all sources of occupational income:

11 (A) ~~[]~~ identified by employer, ~~[or if~~
12 ~~self-employed, by the nature of the occupation,~~] including
13 identification of a person or other organization from which the
14 individual or a business in which the individual has a substantial
15 interest received a fee as a retainer for a claim on future services
16 in case of need, as distinguished from a fee for services on a
17 matter specified at the time of contracting for or receiving the
18 fee, if professional or occupational services are not actually
19 performed during the reporting period equal to or in excess of the
20 amount of the retainer, and the category of the amount of the fee;
21 and

22 (B) identified by the nature of the occupation or
23 profession, if the individual is self-employed, including
24 identification of a person or other organization:

1 (i) from which the self-employed individual
2 received compensation of \$1,000 or more for occupational or
3 professional services during the reporting period, and the category
4 of the amount of the compensation; or

5 (ii) from which the self-employed
6 individual received a fee of \$1,000 or more as a retainer for a
7 claim on future services in case of need, as distinguished from a
8 fee for services on a matter specified at the time of contracting
9 for or receiving the fee, if professional or occupational services
10 are not actually performed during the reporting period equal to or
11 in excess of the amount of the retainer, and the category of the
12 amount of the fee;

13 (2) identification by name and the category of the
14 number of shares of stock of any business entity held or acquired,
15 and if sold, the category of the amount of net gain or loss realized
16 from the sale;

17 (3) a list of all bonds, notes, and other commercial
18 paper held or acquired, and if sold, the category of the amount of
19 net gain or loss realized from the sale;

20 (4) identification of each source and the category of
21 the amount of income in excess of \$500 derived from each source from
22 interest, dividends, royalties, and rents;

23 (5) identification of each guarantor of a loan and
24 identification of each person or financial institution to whom a
25 personal note or notes or lease agreement for a total financial
26 liability in excess of \$1,000 existed at any time during the year
27 and the category of the amount of the liability;

1 (6) identification by description of all beneficial
2 interests in real property and business entities held or acquired,
3 and if sold, the category of the amount of the net gain or loss
4 realized from the sale;

5 (7) identification of a person or other organization
6 from which the individual or the individual's spouse or dependent
7 children received a gift of anything of value in excess of \$250 and
8 a description of each gift, except:

9 (A) a gift received from an individual related to
10 the individual at any time within the second degree by
11 consanguinity or affinity, as determined under Subchapter B,
12 Chapter 573;

13 (B) a political contribution that was reported as
14 required by Chapter 254, Election Code; and

15 (C) an expenditure required to be reported by a
16 person required to be registered under Chapter 305;

17 (8) identification of the source and the category of
18 the amount of all income received as beneficiary of a trust, other
19 than a blind trust that complies with Subsection (c), and
20 identification of each trust asset, if known to the beneficiary,
21 from which income was received by the beneficiary in excess of \$500;

22 (9) identification by description and the category of
23 the amount of all assets and liabilities of a corporation, firm,
24 partnership, limited partnership, limited liability partnership,
25 professional corporation, professional association, joint venture,
26 or other business association in which 50 percent or more of the
27 outstanding ownership was held, acquired, or sold;

1 (10) a list of all boards of directors of which the
2 individual is a member and executive positions that the individual
3 holds in corporations, firms, partnerships, limited partnerships,
4 limited liability partnerships, professional corporations,
5 professional associations, joint ventures, or other business
6 associations or proprietorships, stating the name of each
7 corporation, firm, partnership, limited partnership, limited
8 liability partnership, professional corporation, professional
9 association, joint venture, or other business association or
10 proprietorship and the position held;

11 (11) identification of any person providing
12 transportation, meals, or lodging expenses permitted under Section
13 36.07(b), Penal Code, and the amount of those expenses, other than
14 expenditures required to be reported under Chapter 305;

15 (12) any corporation, firm, partnership, limited
16 partnership, limited liability partnership, professional
17 corporation, professional association, joint venture, or other
18 business association, excluding a publicly held corporation, in
19 which both the individual and a person registered under Chapter 305
20 have an interest;

21 (13) identification by name and the category of the
22 number of shares of any mutual fund held or acquired, and if sold,
23 the category of the amount of net gain or loss realized from the
24 sale; and

25 (14) identification of each blind trust that complies
26 with Subsection (c), including:

27 (A) the category of the fair market value of the

1 trust;

2 (B) the date the trust was created;

3 (C) the name and address of the trustee; and

4 (D) a statement signed by the trustee, under
5 penalty of perjury, stating that:

6 (i) the trustee has not revealed any
7 information to the individual, except information that may be
8 disclosed under Subdivision (8); and

9 (ii) to the best of the trustee's knowledge,
10 the trust complies with this section.

11 (e) In lieu of information required under Subsection
12 (b)(1)(B), the individual filing the statement may file a copy of
13 any form submitted by the individual to the United States Internal
14 Revenue Service, as part of the individual's income tax return,
15 that provides reasonably equivalent information, as determined by
16 the commission.

17 (f) The individual filing the statement is not required to
18 disclose the identity of a person or other organization under
19 Subsection (b)(1)(B) if:

20 (1) the identity of the person or organization is
21 confidential or privileged under law; or

22 (2) the disclosure of the identity of the person or
23 organization is prohibited under a code of ethics or conduct
24 applicable to the individual's occupation or profession.

25 SECTION 2. Section 572.023, Government Code, as amended by
26 this Act, applies only to a financial statement required to be filed
27 under Subchapter B, Chapter 572, Government Code, on or after

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

6 SECTION 3. This Act takes effect September 1, 2007.