

By: Lewis

H.B. No. 2921

Substitute the following for H.B. No. 2921:

By: Cook

C.S.H.B. No. 2921

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the power of the office of the attorney general to make  
3 certain examinations and inquiries.

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

5 SECTION 1. Section 12.151, Business Organizations Code, is  
6 amended to read as follows:

7 Sec. 12.151. AUTHORITY OF ATTORNEY GENERAL TO EXAMINE BOOKS  
8 AND RECORDS AND MAKE CERTAIN INQUIRIES. (a) Each filing entity and  
9 foreign filing entity shall permit the attorney general to inspect,  
10 examine, and make copies, as the attorney general considers  
11 necessary in the performance of a power or duty of the attorney  
12 general, of any record of the entity. A record of the entity  
13 includes minutes and a book, account, letter, memorandum,  
14 electronic transmission, document, check, voucher, telegram,  
15 constitution, and bylaw.

16 (b) If the attorney general has reason to believe that a  
17 nonprofit entity with a charitable purpose is engaging in, has  
18 engaged in, or is about to engage in an unlawful act or practice or  
19 that it would be in the public interest to conduct an investigation  
20 to ascertain whether the entity is engaging in, has engaged in, or  
21 is about to engage in an unlawful act or practice, the attorney  
22 general may:

23 (1) require an employee or agent of the entity to file  
24 on forms prescribed by the attorney general a statement or report in

1 writing, under oath or otherwise, as to all the facts and  
2 circumstances concerning the alleged unlawful act or practice and  
3 other data and information the attorney general considers  
4 necessary; and

5 (2) examine under oath any person in connection with  
6 the alleged unlawful act or practice.

7 SECTION 2. The heading to Chapter 123, Property Code, is  
8 amended to read as follows:

9 CHAPTER 123. ATTORNEY GENERAL PARTICIPATION IN PROCEEDINGS  
10 INVOLVING AND INVESTIGATION OF MATTERS CONCERNING CHARITABLE  
11 TRUSTS

12 SECTION 3. Chapter 123, Property Code, is amended by adding  
13 Section 123.007 to read as follows:

14 Sec. 123.007. AUTHORITY OF ATTORNEY GENERAL TO EXAMINE  
15 BOOKS AND RECORDS AND MAKE CERTAIN INQUIRIES. (a) Each charitable  
16 entity or fiduciary or managerial agent of a charitable trust shall  
17 permit the attorney general to inspect, examine, and make copies,  
18 as the attorney general considers necessary in the performance of a  
19 power or duty of the attorney general with respect to charitable  
20 entities and trusts, of any record of the charitable entity or  
21 trust. A record of the charitable entity or trust includes minutes  
22 and a book, account, letter, memorandum, electronic transmission,  
23 document, check, voucher, telegram, constitution, and bylaw.

24 (b) If the attorney general has reason to believe that a  
25 person is engaging in, has engaged in, or is about to engage in an  
26 unlawful act or practice with respect to a charitable trust or that  
27 it would be in the public interest to conduct an investigation to

1 ascertain whether the person is engaging in, has engaged in, or is  
2 about to engage in an unlawful act or practice with respect to a  
3 charitable trust, the attorney general may:

4 (1) require the person to file on forms prescribed by  
5 the attorney general a statement or report in writing, under oath or  
6 otherwise, as to all the facts and circumstances concerning the  
7 alleged unlawful act or practice and other data and information as  
8 the attorney general considers necessary; and

9 (2) examine under oath any person in connection with  
10 the alleged unlawful act or practice.

11 SECTION 4. This Act takes effect September 1, 2011.