

Amend CSSB 19 (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. Section 572.005, Government Code, is amended to read as follows:

Sec. 572.005. DETERMINATION OF SUBSTANTIAL INTEREST. (a) An individual has a substantial interest in a business entity if the individual or the individual's spouse:

(1) owns or controls, directly or indirectly, an interest of at least five percent in the business entity, including the right to share in profits, proceeds, or capital gains, or an ownership interest that a reasonably prudent individual could foresee could result in any financial benefit to the individual or the individual's spouse ~~[has a controlling interest in the business entity;~~

~~[(2) owns more than 10 percent of the voting interest in the business entity;]~~

(2) ~~[(3)]~~ owns more than \$25,000 of the fair market value of the business entity;

~~[(4) has a direct or indirect participating interest by shares, stock, or otherwise, regardless of whether voting rights are included, in more than 10 percent of the profits, proceeds, or capital gains of the business entity;]~~

(3) ~~[(5)]~~ is a member of the board of directors or other governing board of the business entity;

(4) ~~[(6)]~~ serves as an elected officer of the business entity; or

(5) ~~[(7)]~~ is an employee of the business entity.

(b) An individual has a substantial interest in real property if the individual or the individual's spouse has an equitable or legal ownership interest with a fair market value of \$25,000 or more.