

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1437
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Electronic filing saves resources. Accordingly, a clear trend across state government and the private sector is emerging to reduce paper filing, and an agency with such limited resources as the Texas Ethics Commission (TEC) should leverage these technological advances to use its resources efficiently.

Currently, local officeholders and candidates are authorized to file personal financial statements with local authorities, but it is unclear whether they have to use locally developed software or can use the new web platform developed by TEC. Not all local authorities in Texas, especially rural and smaller counties, have the resources to develop an electronic filing system. Consequently, electronic filing may not be adopted widely in these localities. What's more, unlike local filers, current law does not authorize statewide candidates and officeholders to file personal financial statements electronically.

C.S.S.B. 1437 clarifies that statewide and local candidates and officeholders can use TEC's new electronic filing web-based application to file campaign finance reports and personal financial statements with TEC and with local filing authorities equipped to receive such filings. C.S.S.B. 1437 also requires statewide filers to file personal financial statements electronically and clarifies that a person does not need to submit a notarized affidavit verifying the filer's identity if the electronic password meeting security standards set by the applicable filing authority.

C.S.S.B. 1437 is intended to accelerate the adoption of electronic filing across the state, which would increase the statewide filing system's efficiency.

C.S.S.B. 1437 amends current law relating to the electronic filing of reports of political contributions and expenditures and of personal financial statements by certain officeholders and candidates and the content of those statements and creates a criminal offense.

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 254.036, Election Code, by adding Subsection (f-1), to provide that a report filed under this chapter with an authority other than the Texas Ethics Commission (TEC) may be filed electronically by using computer software developed by TEC, if the authority with whom the report is required to be filed has adopted rules and procedures to provide for the filing of the report using the software.

SECTION 2. Amends Sections 571.0671, Government Code, as follows:

Sec. 571.0671. REQUIREMENTS FOR ELECTRONIC FILING SOFTWARE. (a) Adds a reference to Section 572.0291, Government Code, and makes nonsubstantive changes.

(b) Adds a reference to Section 572.0291, Government Code, and makes nonsubstantive changes.

(c) Adds a reference to Section 572.0291, Government Code, and makes nonsubstantive changes.

SECTION 3. Amends Section 572.023, Government Code, by adding Subsections (f) and (g), as follows:

(f) Requires that each financial statement filed with a filing authority other than TEC that is not filed electronically be accompanied by an affidavit executed by the person required to file the financial statement. Requires that the affidavit contain certain language as set forth. Provides that a financial statement filed under this chapter is considered to be under oath by the person required to file the financial statement, and the person is subject to prosecution under Chapter 37 (Perjury and Other Falsification), Penal Code, regardless of the absence of or defect in the affidavit.

(g) Provides that a person who electronically files a financial statement with TEC or another filing authority is not required to include a notarized affidavit with the financial statement if the person:

(1) has requested and received an electronic filing password pursuant to the rules of TEC or other authority, as applicable; and

(2) uses that password to file the financial statement.

SECTION 4. Amends Subchapter B, Chapter 572, Government Code, by adding Section 572.0291, as follows:

Sec. 572.0291. ELECTRONIC FILING REQUIRED. Requires that a financial statement filed with TEC be filed by computer diskette, modem, or other means of electronic transfer, using computer software provided by TEC or computer software that meets TEC specifications for a standard file format.

SECTION 5. Amends Section 145.004, Local Government Code, by adding Subsection (h), to provide that a financial statement filed under this chapter may be filed electronically by using computer software developed by TEC, if the clerk or secretary of the municipality with whom the statement is required to be filed has adopted rules and procedures to provide for the filing of the statement using the software.

SECTION 6. Amends Section 159.004(f), Local Government Code, to authorize a county clerk to adopt rules and procedures under this section relating only to the manner in which a person must electronically file a financial statement and the required format of an electronically filed statement. Authorizes those rules to allow a person to file a statement electronically by using computer software developed by TEC.

SECTION 7. Amends Section 159.0341(b), Local Government Code, to authorize an officer with whom a report is required to be filed under this subchapter to adopt rules and procedures under this section relating only to the manner in which a person must electronically file a report and the required format of an electronically filed report. Authorizes the rules to allow a person to file a report electronically by using computer software developed by TEC.

SECTION 8. Amends Section 159.053, Local Government Code, by adding Subsection (d), to provide that a financial statement filed under this subchapter may be filed electronically by using computer software developed by TEC, if the county clerk with whom the statement is required to be filed has adopted rules and procedures to provide for the filing of the statement using the software.

SECTION 9. Provides that Section 572.023, Government Code, as amended by this Act, applies only to a financial statement due on or after the effective date of this Act. Makes application of this Act prospective.

SECTION 10. Effective date: September 1, 2015.