

By: Turner of Tarrant

H.B. No. 1059

Substitute the following for H.B. No. 1059:

By: Collier

C.S.H.B. No. 1059

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the filing and contents of and public access to personal
3 financial statements filed by public officials and candidates;
4 amending provisions subject to a criminal penalty.

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

6 SECTION 1. Section 572.021, Government Code, is amended to
7 read as follows:

8 Sec. 572.021. FINANCIAL STATEMENT REQUIRED. (a) Except as
9 provided by Section 572.0211, a state officer, a partisan or
10 independent candidate for an office as an elected officer, and a
11 state party chair shall file with the commission a verified
12 financial statement complying with Sections 572.022 through
13 572.0252.

14 (b) Each financial statement filed under this subchapter
15 must be submitted electronically through a secure website
16 maintained by the commission.

17 SECTION 2. Sections 572.022(a) and (d), Government Code,
18 are amended to read as follows:

19 (a) If an amount in a financial statement is required to be
20 reported by category, the individual filing the statement shall
21 report whether the amount is:

22 (1) less than \$200 [~~\$5,000~~];

23 (2) at least \$200 [~~\$5,000~~] but less than \$1,000
24 [~~\$10,000~~];

- 1 (3) at least \$1,000 [~~\$10,000~~] but less than \$2,500
- 2 [~~\$25,000~~];
- 3 (4) at least \$2,500 but less than \$5,000;
- 4 (5) at least \$5,000 but less than \$15,000;
- 5 (6) at least \$15,000 but less than \$50,000;
- 6 (7) at least \$50,000 but less than \$100,000;
- 7 (8) at least \$100,000 but less than \$1,000,000;
- 8 (9) at least \$1,000,000 but less than \$5,000,000; or
- 9 (10) \$5,000,000 [~~(4) \$25,000~~] or more.

10 (d) For a gift [~~of cash or a cash equivalent such as a~~
11 ~~negotiable instrument or gift certificate~~] that is reported in
12 accordance with Section 572.023(b)(7), the individual filing the
13 statement shall include in the description of the gift a statement
14 of the value of the gift. If the reported gift is cash or a cash
15 equivalent such as a negotiable instrument or gift certificate, the
16 description must include the actual face value of the gift.

17 SECTION 3. Sections 572.023(a) and (b), Government Code,
18 are amended to read as follows:

19 (a) A financial statement must include an account of the
20 financial activity of the individual required by this subchapter to
21 file a financial statement and an account of the financial activity
22 of the individual's spouse and dependent children if the individual
23 had actual control over that activity for:

- 24 (1) the preceding calendar year; or
- 25 (2) both the preceding calendar year and, listed
- 26 separately, the year before the preceding calendar year, for
- 27 information reported under Subsection (b)(1), (4), (8), or (15).

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

2 (1) a list of all sources of occupational income,
3 identified by employer, or if self-employed, by the nature of the
4 occupation, including identification of a person or other
5 organization from which the individual or a business in which the
6 individual has a substantial interest received a fee as a retainer
7 for a claim on future services in case of need, as distinguished
8 from a fee for services on a matter specified at the time of
9 contracting for or receiving the fee, if professional or
10 occupational services are not actually performed during the
11 reporting period equal to or in excess of the amount of the
12 retainer, and the category of the amount of the fee;

13 (2) identification by name and the category of the
14 dollar value of the ~~[number of]~~ shares of stock of any business
15 entity held or acquired, and if sold, the category of the amount of
16 net gain or loss realized 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 the date the liability was incurred, and the category of the amount

1 of the liability;

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

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

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

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

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

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

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

1 outstanding ownership was held, acquired, or sold;

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

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

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

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

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

1 (A) the category of the fair market value of the
2 trust;

3 (B) the date the trust was created;

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

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

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

10 (ii) to the best of the trustee's knowledge,
11 the trust complies with this section; and

12 (15) identification of any other source of earned or
13 unearned income not reported under another provision of this
14 subsection, including public benefits or a pension, individual
15 retirement account, or other retirement plan, and the category of
16 the amount of income derived from each source.

17 SECTION 4. Section 572.032, Government Code, is amended by
18 amending Subsection (a) and adding Subsection (d) to read as
19 follows:

20 (a) Financial statements filed under this subchapter are
21 public records. The commission shall maintain the statements in
22 separate alphabetical files and in a manner that is accessible to
23 the public during regular office hours and make the statements
24 available to the public on the commission's website not later than
25 the 15th day after the date the statement is required to be filed or
26 is actually filed, whichever is later.

27 (d) The commission is not required to continue to make

1 available on its website a financial statement that may be
2 destroyed under Subsection (c). The commission may not make
3 available on its website a financial statement that the commission
4 is required to destroy under Subsection (c).

5 SECTION 5. Sections 572.022(b) and 572.032(b), Government
6 Code, are repealed.

7 SECTION 6. Section 572.021(b), Government Code, as added by
8 this Act, and Sections 572.022 and 572.023, Government Code, as
9 amended by this Act, apply only to a financial statement filed under
10 Subchapter B, Chapter 572, Government Code, on or after January 1,
11 2017. A financial statement filed before January 1, 2017, is
12 governed by the law in effect on the date of filing, and the former
13 law is continued in effect for that purpose.

14 SECTION 7. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect September 1, 2015.