

By: Geren

H.B. No. 3789

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the disclosure on personal financial statements of  
3 certain contracts and paid relationships with governmental  
4 entities; amending provisions subject to a criminal penalty.

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 Subsection (e) to read as  
8 follows:

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

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

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

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

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

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

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

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

20                   (A) a gift received from an individual related to  
21 the individual at any time within the second degree by  
22 consanguinity or affinity, as determined under Subchapter B,  
23 Chapter 573;

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

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

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

6           (9) identification by description and the category of  
7 the amount of all assets and liabilities of a corporation, firm,  
8 partnership, limited partnership, limited liability partnership,  
9 professional corporation, professional association, joint venture,  
10 or other business association in which 50 percent or more of the  
11 outstanding ownership was held, acquired, or sold;

12           (10) a list of all boards of directors of which the  
13 individual is a member and executive positions that the individual  
14 holds in corporations, firms, partnerships, limited partnerships,  
15 limited liability partnerships, professional corporations,  
16 professional associations, joint ventures, or other business  
17 associations or proprietorships, stating the name of each  
18 corporation, firm, partnership, limited partnership, limited  
19 liability partnership, professional corporation, professional  
20 association, joint venture, or other business association or  
21 proprietorship and the position held;

22           (11) identification of any person providing  
23 transportation, meals, or lodging expenses permitted under Section  
24 [36.07\(b\)](#), Penal Code, and the amount of those expenses, other than  
25 expenditures required to be reported under Chapter 305;

26           (12) any corporation, firm, partnership, limited  
27 partnership, limited liability partnership, professional

1 corporation, professional association, joint venture, or other  
2 business association, excluding a publicly held corporation, in  
3 which both the individual and a person registered under Chapter 305  
4 have an interest;

5 (13) identification by name and the category of the  
6 number of shares of any mutual fund held or acquired, and if sold,  
7 the category of the amount of net gain or loss realized from the  
8 sale; ~~and~~

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

11 (A) the category of the fair market value of the  
12 trust;

13 (B) the date the trust was created;

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

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

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

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

22 (15) identification of each contract or subcontract  
23 with a public entity to which the individual or the individual's  
24 spouse is a party and each paid relationship the individual or the  
25 individual's spouse has with a public entity.

26 (e) In this section, "public entity" includes this state and  
27 a political subdivision of the state.

1           SECTION 2. The change in law made by this Act to Section  
2 572.023, Government Code, applies only to a financial statement  
3 filed under Subchapter B, Chapter 572, Government Code, as amended  
4 by this Act, on or after January 1, 2017. A financial statement  
5 filed before January 1, 2017, is governed by the law in effect on  
6 the date of filing, and the former law is continued in effect for  
7 that purpose.

8           SECTION 3. This Act takes effect January 1, 2016.