

By: Davis of Harris

H.B. No. 1377

Substitute the following for H.B. No. 1377:

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C.S.H.B. No. 1377

A BILL TO BE ENTITLED

AN ACT

relating to the contents of and recordkeeping requirements relating to personal financial statements filed with the Texas Ethics Commission.

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

SECTION 1. Section 572.023(b), Government Code, is amended to read as follows:

(b) The account of financial activity consists of:

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

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

(2-a) identification by stock symbol and the category

1 of the number of shares of stock of any publicly traded corporation
2 held;

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

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

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

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

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

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

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

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

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

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

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

24 (11) identification of any person providing
25 transportation, meals, or lodging expenses permitted under Section
26 36.07(b), Penal Code, and the amount of those expenses, other than
27 expenditures required to be reported under Chapter 305;

1 (12) any corporation, firm, partnership, limited
2 partnership, limited liability partnership, professional
3 corporation, professional association, joint venture, or other
4 business association, excluding a publicly held corporation, in
5 which both the individual and a person registered under Chapter 305
6 have an interest;

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

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

13 (A) the category of the fair market value of the
14 trust;

15 (B) the date the trust was created;

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

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

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

22 (ii) to the best of the trustee's knowledge,
23 the trust complies with this section.

24 SECTION 2. Subchapter B, Chapter 572, Government Code, is
25 amended by adding Section 572.0292 to read as follows:

26 Sec. 572.0292. RECORDKEEPING REQUIRED. (a) Each
27 individual who files with the commission a financial statement

1 required by this subchapter shall maintain a record of the
2 information that is necessary for filing the financial statement.

3 (b) An individual required to maintain a record under this
4 section shall preserve the record for at least three years
5 beginning on the filing deadline for the financial statement
6 containing the information in the record.

7 SECTION 3. The changes in law made by this Act apply only to
8 a financial statement due on or after the effective date of this
9 Act. A financial statement due before the effective date of this
10 Act is governed by the law in effect on the date the financial
11 statement was due, and the former law is continued in effect for
12 that purpose.

13 SECTION 4. This Act takes effect September 1, 2017.