

By: Turner

H.B. No. 1941

A BILL TO BE ENTITLED

AN ACT

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

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

6 SECTION 1. Sections 572.022(a) and (d), Government Code,
7 are amended to read as follows:

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

- 11 (1) less than \$200 [~~\$5,000~~];
12 (2) at least \$200 [~~\$5,000~~] but less than \$1,000
13 [~~\$10,000~~];
14 (3) at least \$1,000 [~~\$10,000~~] but less than \$2,500
15 [~~\$25,000~~];
16 (4) at least \$2,500 but less than \$5,000;
17 (5) at least \$5,000 but less than \$15,000;
18 (6) at least \$15,000 but less than \$50,000;
19 (7) at least \$50,000 but less than \$100,000;
20 (8) at least \$100,000 but less than \$1,000,000;
21 (9) at least \$1,000,000 but less than \$5,000,000; or
22 (10) \$5,000,000 [~~(4) \$25,000~~] or more.

23 (d) For a gift [~~of cash or a cash equivalent such as a~~
24 ~~negotiable instrument or gift certificate~~] that is reported in

1 accordance with Section 572.023(b)(7), the individual filing the
2 statement shall include in the description of the gift a statement
3 of the value of the gift. If the reported gift is cash or a cash
4 equivalent such as a negotiable instrument or gift certificate, the
5 description must include the actual face value of the gift.

6 SECTION 2. Sections 572.023(a) and (b), Government Code,
7 are amended to read as follows:

8 (a) A financial statement must include an account of the
9 financial activity of the individual required by this subchapter to
10 file a financial statement and an account of the financial activity
11 of the individual's spouse and dependent children if the individual
12 had actual control over that activity for:

- 13 (1) the preceding calendar year; or
14 (2) both the preceding calendar year and, listed
15 separately, the year before the preceding calendar year, for
16 information reported under Subsection (b)(1), (4), or (8).

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

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

1 retainer, and the category of the amount of the fee;

2 (2) identification by name and the category of the
3 dollar value of the [~~number of~~] shares of stock of any business
4 entity held or acquired, and if sold, the category of the amount of
5 net gain or loss realized from the sale;

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

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

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

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

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

26 (A) a gift received from an individual related to
27 the individual at any time within the second degree by

1 consanguinity or affinity, as determined under Subchapter B,
2 Chapter 573;

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

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

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

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

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

1 (11) identification of any person providing
2 transportation, meals, or lodging expenses permitted under Section
3 36.07(b), Penal Code, and the amount of those expenses, other than
4 expenditures required to be reported under Chapter 305;

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

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

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

17 (A) the category of the fair market value of the
18 trust;

19 (B) the date the trust was created;

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

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

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

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

1 SECTION 3. Section 572.032, Government Code, is amended by
2 amending Subsection (a) and adding Subsection (d) to read as
3 follows:

4 (a) Financial statements filed under this subchapter are
5 public records. The commission shall maintain the statements in
6 separate alphabetical files and in a manner that is accessible to
7 the public during regular office hours and make the statements
8 available to the public on the commission's website not later than
9 the 15th day after the date the statement is required to be filed or
10 is actually filed, whichever is later.

11 (d) The commission is not required to continue to make
12 available on its website a financial statement that may be
13 destroyed under Subsection (c). The commission may not make
14 available on its website a financial statement that the commission
15 is required to destroy under Subsection (c).

16 SECTION 4. Sections 572.022(b) and 572.032(b), Government
17 Code, are repealed.

18 SECTION 5. The changes in law made by this Act to Sections
19 572.022 and 572.023, Government Code, apply only to a financial
20 statement filed under Subchapter B, Chapter 572, Government Code,
21 on or after January 1, 2019. A financial statement filed before
22 January 1, 2019, is governed by the law in effect on the date of
23 filing, and the former law is continued in effect for that purpose.

24 SECTION 6. This Act takes effect immediately if it receives
25 a vote of two-thirds of all the members elected to each house, as
26 provided by Section 39, Article III, Texas Constitution. If this
27 Act does not receive the vote necessary for immediate effect, this

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1 Act takes effect September 1, 2017.