

By: Fallon

H.B. No. 4119

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to the disclosure of family members engaged in lobbying  
3 activities in personal financial statements filed by public  
4 officers and candidates.

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) to read as follows:

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

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

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

24 (3) a list of all bonds, notes, and other commercial

1 paper held or acquired, and if sold, the category of the amount of  
2 net gain or loss realized from the sale;

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

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

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

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

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

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

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

27 (8) identification of the source and the category of

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

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

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

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

25 (12) any corporation, firm, partnership, limited  
26 partnership, limited liability partnership, professional  
27 corporation, professional association, joint venture, or other

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

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

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

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

12 (B) the date the trust was created;

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

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

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

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

21 (15) identification of any person within the first  
22 degree of consanguinity or affinity, as determined under Subchapter  
23 B, Chapter 573, that engages in lobbying activities that require  
24 registration under Chapter 305.

25 SECTION 3. The changes in law made by this Act to Subchapter  
26 B, Chapter 572, Government Code, apply only to a financial  
27 statement filed under Subchapter B, Chapter 572, Government Code,

1 as amended by this Act, on or after January 8, 2019. A financial  
2 statement filed before January 8, 2019, is governed by the law in  
3 effect on the date of filing, and the former law is continued in  
4 effect for that purpose.

5 SECTION 4. This Act takes effect January 8, 2019.