1-1 By: Zaffirini S.B. No. 63 (In the Senate - Filed November 14, 2016; January 24, 2017, read first time and referred to Committee on State Affairs; 1-2 1-3 April 3, 2017, reported favorably by the following vote: Yeas 9, Nays 0; April 3, 2017, sent to printer.) 1-4 1-5

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COMMITTEE VOTE

-7		Yea	Nay	Absent	PNV
-8	Huffman	Х	-		
-9	Hughes	Х			
10	Birdwell	Х			
11	Creighton	Х			
12	Estes	Х			
13	Lucio	Х			
14	Nelson	Х			
15	Schwertner	Х			
16	Zaffirini	Х			

1-17 1-18

A BILL TO BE ENTITLED AN ACT

political 1-19 relating to the electronic filing of reports of expenditures and of personal and 1-20 contributions financial statements by certain officeholders and candidates and the content 1-21 1-22 1-23 of those statements; creating a criminal offense.

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

1-24 SECTION 1. Section 254.036, Election Code, is amended by 1-25 adding Subsection (f-1) to read as follows:

(f-1) A report filed under this chapter with an authority other than the commission may be filed electronically by using computer software developed by the commission, if the authority with whom the report is required to be filed has adopted rules and 1-26 1-27 1-28 1-29 1-30 procedures to provide for the filing of the report using the 1-31 software.

1-32 SECTION 2. Sections 571.0671(a), (b), and (c), Government 1-33 Code, are amended to read as follows:

(a) Computer software provided or approved 1-34 by the commission for use under Section 254.036(b), Election Code, or 1-35 Section 302.013, [or] 305.0064, or 572.0291 must: (1) use a standardized format for the entry of names, 1-36

1-37 1-38 addresses, and zip codes;

(2) provide for secure and encoded transmission of 1-39 data from the computer of a person filing a report to the computers 1-40 1-41 used by the commission;

1-42 (3) be capable of being used by a person with basic 1-43 computing skills;

1-44 (4) provide confirmation to a person filing a report 1-45 that the report was properly received; and

(5) permit a person using a computer to prepare a report or to retrieve information from a report to import information to the report from a variety of computer software 1-46 1-47 1-48 applications that meet commission specifications for a standard 1-49 1-50 file format or export information from the report to a variety of 1-51 computer software applications that meet commission specifications 1-52

for a standard file format without the need to reenter information. (b) Before determining the specifications for computer software developed, purchased, or licensed for use under Section 254.036, Election Code, or Section 302.013, [or] 305.0064, or <u>572.0291</u>, the commission shall conduct at least one public hearing to discuss the specifications. For at least 10 days following the hearing, the commission shall accept public comments concerning the seftware specifications. 1-53 1-54 1-55 1-56 1-57 1-58 1-59 software specifications.

(c) The commission may provide software for use under Section 254.036(b), Election Code, or Section 302.013, [or] 1-60 1-61

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305.0064, or 572.0291 by making the software available on the 2-1 If the commission makes the software available on the 2-2 Internet. Internet, the commission is not required to provide the software on 2-3 2-4 computer diskettes, CD-ROMs, or other storage media without charge to persons required to file reports under that section, but may charge a fee for providing the software on storage media. A fee under this subsection may not exceed the cost to the commission of 2-5 2-6 2-7 2-8 providing the software.

2-9 SECTION 3. Section 572.023, Government Code, is amended by 2**-**10 2**-**11 adding Subsections (e) and (f) to read as follows:

(e) Each financial statement filed with a filing authority than the commission that is not filed electronically must be 2-12 other 2-13 accompanied by an affidavit executed by the person required to file the financial statement. The affidavit must contain the statement: "I swear, or affirm, under penalty of perjury, that the accompanying financial statement is true and correct and includes 2-14 2**-**15 2**-**16 2-17 all information required to be reported by me under Chapter 572 of the Government Code." A financial statement filed under this 2-18 chapter is considered to be under oath by the person required to file the financial statement, and the person is subject to prosecution under Chapter 37, Penal Code, regardless of the absence of or a defect in the affidavit. 2-19 2-20 2-21 2-22

2-23 (f) A person who electronically files a financial statement with the commission or another filing authority is not required to 2-24 2**-**25 2**-**26 include a notarized affidavit with the financial statement if the person:

2-27 (1) has requested and received an electronic filing password pursuant to the rules of the commission or other 2-28 authority, as applicable; and 2-29

2-30 password file the financial (2) uses that to 2-31 statement

2-32 SECTION 4. Section 145.004, Local Government Code, is amended by adding Subsection (h) to read as follows: 2-33

A financial statement filed under this chapter may be 2-34 (h) filed electronically by using computer software developed by the Texas Ethics Commission if the clerk or secretary of the municipality with whom the statement is required to be filed has 2-35 2-36 2-37 2-38 adopted rules and procedures to provide for the filing of the statement using the software. SECTION 5. Section 159.004(f), Local Government Code, is 2-39

2-40 2-41 amended to read as follows:

2-42 (f) A county clerk may adopt rules and procedures under this 2-43 section relating only to the manner in which a person must electronically file a financial statement and the required format 2-44 of an electronically filed statement. Those rules may allow a person to file a statement electronically by using computer 2-45 2-46 software developed by the Texas Ethics Commission. 2-47

2-48 SECTION 6. Section 159.0341(b), Local Government Code, is 2-49 amended to read as follows:

(b) An officer with whom a report is required to be filed under this subchapter may adopt rules and procedures under this 2-50 2-51 section relating only to the manner in which a person must electronically file a report and the required format of an 2-52 2-53 electronically filed report. Those rules may allow a person to file 2-54 2-55 a report electronically by using computer software developed by the Texas Ethics Commission. 2-56

SECTION 7. Section 159.053, Local Government Code, 2-57 is 2-58 amended by adding Subsection (d) to read as follows:

2-59 (d) A financial statement filed under this subchapter may be filed electronically by using computer software developed by the commission if the county clerk with whom the statement is required to be filed has adopted rules and procedures to provide for the 2-60 2-61 2-62 2-63 filing of the statement using the software.

SECTION 8. Section 572.023, Government Code, as amended by 2-64 this Act, applies only to a financial statement due on or after the effective date of this Act. A financial statement due before the 2-65 2-66 effective date of this Act is governed by the law in effect on the 2-67 2-68 date the financial statement was due, and the former law is 2-69 continued in effect for that purpose.

S.B. No. 63 3-1 SECTION 9. This Act takes effect September 1, 2017.

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