

BILL ANALYSIS

C.S.H.B. 1085
By: Márquez
General Investigating & Ethics
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that, since a member of the board of trustees of an independent school district is responsible for critical educational matters and should not be unduly influenced by personal financial considerations, financial disclosure by trustees is important. Currently, filing a personal financial statement may be optional for such trustees. C.S.H.B. 1085 seeks to ensure that the education of Texas children is the highest concern of members of the board of trustees of an independent school district.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1085 amends the Education Code to remove the authority of an independent school district board of trustees to adopt a resolution requiring each board member to file the financial statement required of state officers with the board and the Texas Ethics Commission and to instead require each member of the board of trustees of an independent school district to file the financial statement with the board and the commission. The bill repeals a statutory provision temporarily requiring the filing of a financial statement by a trustee of a district located in a certain border county.

C.S.H.B. 1085 applies beginning January 1, 2017, to a trustee who, before the bill's effective date, was not otherwise required to file a financial statement under statutory provisions amended or repealed by the bill but expressly does not require such a trustee to include financial activity occurring before January 1, 2016, in a statement filed under those statutory provisions. The bill requires a trustee who was required to file a financial statement under the repealed statutory provision before the bill's repeal to file a financial statement under the bill's provisions for financial activity occurring in 2015.

C.S.H.B. 1085 repeals the following provisions of the Education Code:

- Sections 11.064(a-1), (a-2), (a-3), (a-4), and (d)
- Section 11.0641

EFFECTIVE DATE

January 1, 2016.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1085 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Sections 11.064(a), (b), (c), and (d), Education Code, are amended to read as follows:

(a) Each member of the [The] board of trustees of an independent school district shall [by resolution adopted by majority vote may require each member of the board to] file a [the] financial statement [required of state officers under Subchapter B, Chapter 572, Government Code,] with:

- (1) the board of trustees; and
- (2) the commissioners court of the county in which the school district's central administrative office is located [Texas Ethics Commission].

(b) The provisions of Subchapter B, Chapter 572, Government Code, governing: [(1) applies to a trustee subject to this section as if the trustee were a state officer; and
[(2) governs] the contents, timeliness of filing, and public inspection of a statement apply to a statement filed under this section as if the trustee were a state officer and the commissioners court of the county were the Texas Ethics Commission.

(c) A trustee [~~serving in a school district that has adopted a resolution under Subsection (a) or that is subject to an order issued under Subsection (a-3)]~~ commits an offense if the trustee fails to file the statement required by this section [the resolution or order]. An offense under this section is a Class B misdemeanor.

(d) The commissioners court of a county shall determine from any available evidence whether a statement required to be filed under this section is late. On making a determination that the statement is late, the commissioners court shall immediately mail a notice of the determination to the individual responsible for filing the statement. If a statement is determined to be

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Sections 11.064(a), (b), and (c), Education Code, are amended to read as follows:

(a) Each member of the [The] board of trustees of an independent school district shall [by resolution adopted by majority vote may require each member of the board to] file the financial statement required of state officers under Subchapter B, Chapter 572, Government Code, with:

- (1) the board of trustees; and
- (2) the Texas Ethics Commission.

(b) Subchapter B, Chapter 572, Government Code:

- (1) applies to a trustee [~~subject to this section]~~ as if the trustee were a state officer; and
- (2) governs the contents, timeliness of filing, and public inspection of a statement filed under this section.

(c) A trustee [~~serving in a school district that has adopted a resolution under Subsection (a) or that is subject to an order issued under Subsection (a-3)]~~ commits an offense if the trustee fails to file the statement required by this section [the resolution or order]. An offense under this section is a Class B misdemeanor.

late, the individual responsible for filing the statement is liable to the county for a civil penalty of \$500. If a statement is more than 30 days late, the commissioners court shall issue a warning of liability by registered mail to the individual responsible for the filing. If the penalty is not paid before the 10th day after the date on which the warning is received, the individual is liable for a civil penalty in an amount determined by the commissioners court, but not to exceed \$10,000.

~~[This section does not apply to the board of trustees of an independent school district to which Section 11.0641 applies. This subsection expires January 1, 2019.]~~

SECTION 2. Sections 11.064(a-1), (a-2), (a-3), and (a-4) and 11.0641, Education Code, are repealed.

SECTION 3. (a) The changes in law made by this Act to Section 11.064, Education Code, apply beginning January 1, 2017, to a trustee who, before the effective date of this Act, was not required to file a financial statement under Section 11.064 or 11.0641, Education Code, and such a trustee is not required to include financial activity occurring before January 1, 2016, in a statement filed under those sections. A trustee who was required to file a financial statement under Section 11.0641, Education Code, before its repeal by this Act shall file a financial statement under Section 11.064, Education Code, for financial activity occurring in 2015.

(b) The change in law made by this Act applies only to an offense committed on or after January 1, 2016. For purposes of this section, an offense is committed before January 1, 2016, if any element of the offense occurs before that date.

(c) An offense committed before January 1, 2016, is covered by the law in effect when the offense was committed, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect January 1, 2016.

(See SECTION 2 below.)

SECTION 2. Sections 11.064(a-1), (a-2), (a-3), (a-4), and (d) and 11.0641, Education Code, are repealed.

SECTION 3. Same as introduced version.

SECTION 4. Same as introduced version.