

- SUBJECT:** Filing of financial statements by justices of the peace and candidates
- COMMITTEE:** Judiciary — favorable, without amendment
- VOTE:** 8 ayes — Hartnett, Homer, Hopson, Alonzo, R. Cook, Gonzales, Goolsby, Hughes
0 nays
1 absent — Krusee
- WITNESSES:** For — None
Against — Dain Johnson
- BACKGROUND:** Local Government Code, ch. 159, subch. A requires financial disclosure by certain county officers and employees in counties with populations of more than 100,000 people. Under sec. 159.002, a “county officer” is a county judge, county commissioner, or county attorney.

Sec. 159.008 provides a criminal penalty for county officers or candidates for office who knowingly fail to file a financial statement. Failing to file a statement is a class B misdemeanor (up to 180 days in jail and/or a maximum fine of \$2,000). Under sec. 159.010, those who fail to file within 30 days of receiving written notice from the district attorney that they have failed to do so are civilly liable to the county for an amount not to exceed \$1,000.
- DIGEST:** HB 2468 would require justices of the peace (JPs) in counties with populations of more than 100,000 to file financial disclosure statements with their county under the Local Government Code. A JP would be required to file a formalized financial statement on the first applicable financial statement filing deadline that occurred after the bill’s effective date.

The bill would take effect September 1, 2007.

**SUPPORTERS
SAY:**

HB 2468 would aid in providing transparency in government by requiring justices of the peace to file financial disclosure statements. JPs are elected judges, and Texas law already requires most judges and some county officials to file financial statements in order to increase transparency and prevent corruption and undue influence. The bill would affect 188 JPs in the 34 most populous counties.

HB 2468 would include JPs in the list of county officials required to make financial disclosures because JPs are exempted from certain rules governing county officials. JPs may charge for performing marriages, act as ex officio notaries public (Local Government Code, sec. 154.005(a)), and operate businesses on government property (Local Government Code, sec. 291.006(e)). Because JPs enjoy these privileges of office, they should report the income they generate in this way.

Under Local Government Code, ch. 159, a county clerk must choose a standardized financial disclosure statement to send out to county officers, and clerks may either draft their own forms in compliance with the Government Code or choose one supplied by the Texas Ethics Commission. Under the bill, Ethics Commission financial statements would require JPs to disclose sources of occupational income, including salary and fees collected for performing wedding ceremonies.

State action is needed to require JPs to disclose their income because too few counties require this on their own initiative. JPs are judges and should follow financial disclosure rules to preserve the integrity of the office.

**OPPONENTS
SAY:**

HB 2468 is unnecessary because under Local Government Code, sec. 159.031-33, commissioners courts in counties with populations of more than 125,000 already may require financial disclosures from certain county officials, including JPs. The current law is more flexible and responsive to local needs. HB 2468 would be unnecessary micromanagement of county government.

**OTHER
OPPONENTS
SAY:**

HB 2468 would not cover as many elected officials as it should. The bill would require only JPs in counties with populations of more than 100,000 to file financial statements. Completing these forms should not be any more difficult for JPs in counties with fewer than 100,000 people because the reporting requirements are no more onerous than filing federal income

taxes. These counties should be covered as well to increase open and transparent government throughout Texas.