

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1161  
By: Harris  
Administration  
4/22/2005  
Committee Report (Substituted)

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Previous to the passage of H.B. 1606 by the 78th Legislature, Regular Session, 2003, individuals required to file reports with the Texas Ethics Commission (commission) could correct reports, which met certain standards, without penalty. Currently, however, corrected reports are considered to be late if the report does not substantially comply with the law.

Commission rule defines substantial compliance as reports which contain errors which are minor in context. Commission staff is currently directed to refer each corrected report to the full commission to determine if the error is, in fact, minor, and the commission must consider each corrected report individually. Because of this practice, individuals who file corrected reports are assessed a fine, which sometimes is waived only if the individual appears before the commission to demonstrate that the original report contained only minor errors. By providing a clearer definition of substantial compliance in the law, the staff of the commission would be able to administratively determine whether a corrected report should be subject to a fine without having to send each individual matter and the staff recommendation for disposition to the full commission for action.

C.S.S.B. 1161 modifies the provisions relating to corrected reports, registrations, and statements filed with the commission to better define substantial compliance for all who file with the commission.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 305.033, Government Code, by adding Subsection (f), as follows:

(f) Provides that a registration or report filed by a registrant is not considered to be late for purposes of this section if the registrant files a corrected or amended registration or report not later than the 41st day after the date the registrant becomes aware of the error or omission in the registration or report originally filed.

SECTION 2. Amends Section 571.0771, Government Code, by adding Subsection (b-1), as follows:

(b-1) Provides that a report filed with the Texas Ethics Commission, for the purposes of Subsection (a)(1), does not substantially comply with applicable law if it contains an error other than one of specific errors.

SECTION 3. Makes application of this Act prospective.

SECTION 4. Makes application of this Act prospective.

SECTION 5. Effective date: September 1, 2005.