

By: Capriglione, Geren, Fallon

H.B. No. 1295

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the disclosure of interested parties by persons
3 contracting with governmental entities and state agencies.

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

5 SECTION 1. Subchapter Z, Chapter 51, Education Code, is
6 amended by adding Section 51.954 to read as follows:

7 Sec. 51.954. DISCLOSURE OF SPONSORS OF RESEARCH IN PUBLIC
8 COMMUNICATIONS. (a) In any public communication the content of
9 which is based on the results of sponsored research, a faculty
10 member or other employee or appointee of an institution of higher
11 education who conducted or participated in conducting the research
12 shall conspicuously disclose the identity of each sponsor of the
13 research. This subsection does not require the disclosure of
14 interested parties in a contract that is exempt from disclosure
15 under Section 2252.908, Government Code.

16 (b) In this section:

17 (1) "Institution of higher education" has the meaning
18 assigned by Section 61.003.

19 (2) "Public communication" means oral or written
20 communication intended for public consumption or distribution,
21 including:

22 (A) testimony in a public administrative,
23 legislative, regulatory, or judicial proceeding;

24 (B) printed matter including a magazine,

1 journal, newsletter, newspaper, pamphlet, or report; or

2 (C) posting of information on a website or
3 similar Internet host for information.

4 (3) "Sponsor" means an entity that contracts for or
5 provides money or materials for research.

6 (4) "Sponsored research" means research:

7 (A) that is conducted under a contract with or a
8 grant from an individual or entity, other than the institution
9 conducting the research, for the purpose of the research; and

10 (B) in which payments received or the value of
11 materials received under that contract or grant, or under a
12 combination of more than one such contract or grant, constitutes at
13 least 50 percent of the cost of conducting the research.

14 SECTION 2. Subchapter Z, Chapter 2252, Government Code, is
15 amended by adding Section 2252.908 to read as follows:

16 Sec. 2252.908. DISCLOSURE OF INTERESTED PARTIES. (a) In
17 this section:

18 (1) "Business entity" means any entity recognized by
19 law through which business is conducted, including a sole
20 proprietorship, partnership, or corporation.

21 (2) "Governmental entity" means a municipality,
22 county, public school district, or special-purpose district or
23 authority.

24 (3) "Interested party" means a person who has a
25 controlling interest in a business entity with whom a governmental
26 entity or state agency contracts or who actively participates in
27 facilitating the contract or negotiating the terms of the contract,

1 including a broker, intermediary, adviser, or attorney for the
2 business entity.

3 (4) "State agency" means a board, commission, office,
4 department, or other agency in the executive, judicial, or
5 legislative branch of state government. The term includes an
6 institution of higher education as defined by Section 61.003,
7 Education Code.

8 (b) This section applies only to a contract of a
9 governmental entity or state agency that:

10 (1) requires an action or vote by the governing body of
11 the entity or agency before the contract may be signed; or

12 (2) has a value of at least \$1 million.

13 (c) Notwithstanding Subsection (b), this section does not
14 apply to:

15 (1) a sponsored research contract of an institution of
16 higher education;

17 (2) an interagency contract of a state agency or an
18 institution of higher education; or

19 (3) a contract related to health and human services
20 if:

21 (A) the value of the contract cannot be
22 determined at the time the contract is executed; and

23 (B) any qualified vendor is eligible for the
24 contract.

25 (d) A governmental entity or state agency may not enter into
26 a contract described by Subsection (b) with a business entity
27 unless the business entity, in accordance with this section and

1 rules adopted under this section, submits a disclosure of
2 interested parties to the governmental entity or state agency at
3 the time the business entity submits the signed contract to the
4 governmental entity or state agency.

5 (e) The disclosure of interested parties must be submitted
6 on a form prescribed by the Texas Ethics Commission that includes:

7 (1) a list of each interested party for the contract of
8 which the contracting business entity is aware; and

9 (2) the signature of the authorized agent of the
10 contracting business entity, acknowledging that the disclosure is
11 made under oath and under penalty of perjury.

12 (f) Not later than the 30th day after the date the
13 governmental entity or state agency receives a disclosure of
14 interested parties required under this section, the governmental
15 entity or state agency shall submit a copy of the disclosure to the
16 Texas Ethics Commission.

17 (g) The Texas Ethics Commission shall adopt rules necessary
18 to implement this section, prescribe the disclosure of interested
19 parties form, and post a copy of the form on the commission's
20 Internet website.

21 SECTION 3. (a) Not later than December 1, 2015, the Texas
22 Ethics Commission shall adopt the rules, prescribe the disclosure
23 of interested parties form, and post the form on the commission's
24 Internet website as required by Section 2252.908, Government Code,
25 as added by this Act.

26 (b) Section 2252.908, Government Code, as added by this Act,
27 applies only to a contract entered into on or after January 1, 2016.

1 SECTION 4. This Act takes effect September 1, 2015.