

GOVERNMENT CODE

TITLE 10. GENERAL GOVERNMENT

SUBTITLE F. STATE AND LOCAL CONTRACTS AND FUND MANAGEMENT

CHAPTER 2252. CONTRACTS WITH GOVERNMENTAL ENTITY

SUBCHAPTER Z. MISCELLANEOUS PROVISIONS

Sec. 2252.908. DISCLOSURE OF INTERESTED PARTIES.

(a) In this section:

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

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

(3) "Interested party" means a person who has a controlling interest in a business entity with whom a governmental entity or state agency contracts or who actively participates in facilitating the contract or negotiating the terms of the contract, including a broker, intermediary, adviser, or attorney for the business entity.

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

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

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

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

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

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

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

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

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

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

Text of subsection as amended by Acts 2017, 85th R.S., Ch. 526 (SB 255)

(Changes identified by italicized text apply only to a contract entered into or amended on or after January 1, 2018).

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

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

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

- (3) a contract related to health and human services if:
- (A) the value of the contract cannot be determined at the time the contract is executed; and
 - (B) any qualified vendor is eligible for the contract;
- (4) a contract with a publicly traded business entity, including a wholly owned subsidiary of the business entity;
- (5) a contract with an electric utility, as that term is defined by Section 31.002, Utilities Code; or
- (6) a contract with a gas utility, as that term is defined by Section 121.001, Utilities Code.

(d) A governmental entity or state agency may not enter into a contract described by Subsection (b) with a business entity unless the business entity, in accordance with this section and rules adopted under this section, submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency.

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

- (1) a list of each interested party for the contract of which the contracting business entity is aware; and
- (2) the signature of the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury.

*Text of subsection as amended by Acts 2017, 85th R.S., Ch. 526 (SB 255)
(Changes identified by italicized text apply only to a contract entered into or amended on or after January 1, 2018).*

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

- (1) a list of each interested party for the contract of which the contracting business entity is aware; and*
- (2) a written, unsworn declaration subscribed by the authorized agent of the contracting business entity as true under penalty of perjury that is in substantially the following form:*

*"My name is _____, my
date of birth is _____, and my address is
_____, _____, _____, _____,
(Street) (City) (State) (Zip Code)*

*_____
(Country)*

I declare under penalty of perjury that the foregoing is true and correct.

*Executed in _____ County, State of _____, on the _____
day of _____,
(Month) (Year)*

*_____
Declarant".*

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

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

*Added by Acts 2015, 84th Leg., R.S., Ch. 1024 (H.B. [1295](#)), Sec. 3, eff. September 1, 2015.
Amended by Acts 2017, 85th Leg., R.S., Ch. 526 (SB [255](#), Sec. 5, eff. September 1, 2017).*