

BILL ANALYSIS

C.S.H.B. 257
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Judiciary & Civil Jurisprudence
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties describe the circumstances under which certain justices or judges in Texas are prohibited from having a significant interest in a business entity that owns, manages, or operates certain community residential facilities or correctional or rehabilitation facilities. The parties note that the statutes establish what constitutes a significant interest for purposes of the prohibition and that having a direct investment of a certain specified amount constitutes such an interest, along with owning any voting stock or share in the business entity. The parties contend that it is a conflict for a justice or judge to have any direct investment at all in these facilities and assert that the threshold value for what constitutes such a direct investment should be removed. C.S.H.B. 257 seeks to impose this prohibition.

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. 257 amends the Government Code to remove a condition limiting the prohibition against certain justices or judges having a significant interest that is a direct investment in a business entity that owns, manages, or operates a certain type of correctional or rehabilitation facility to a direct investment in such a business entity that represents the lesser of at least 10 percent or \$15,000 of the fair market value of the entity and instead applies the prohibition to any direct investment in such a business entity.

EFFECTIVE DATE

January 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 257 differs from the original only by amending the caption.