

BILL ANALYSIS

Senate Research Center

H.B. 1168
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State Affairs
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Engrossed

DIGEST AND PURPOSE

Currently, the regulation of the practice of lobbying does not include a client conflict of interest provision, allowing a lobbyist to represent clients who are both for and against the same issue. H.B. 1168 prohibits a lobbyist from representing opposing parties, except under certain conditions, and provides penalties for violators.

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 Chapter 305B, Government Code, by adding Sections 305.028 and 305.029, as follows:

Sec. 305.028. PROHIBITED CONFLICTS OF INTEREST. (a) Prohibits a registrant, except as permitted by Subsection (c), from representing opposing parties in communicating directly with a member of the legislative or executive branch to influence the same legislation or administrative action.

(b) Prohibits a registrant, except as permitted by Subsection (c), from representing a person in communicating directly with a member of the legislative or executive branch to influence legislation or administrative action under certain conditions.

(c) Authorizes a registrant to represent a client in the circumstances described in Subsection (a) or (b) under certain conditions.

(d) Requires a registrant, if the registrant has accepted representation in conflict with the restrictions of this section, or if multiple representation properly accepted becomes improper under this section, to promptly withdraw from one or more representations to the extent necessary for any remaining representation not to be in conflict with this section.

(e) Prohibits an employer or concern employing the registrant or a partner or other person associated with the registrant, if a registrant would be prohibited by this section from engaging in particular conduct, from engaging in that conduct.

(f) Requires a registrant, in each report filed with the Texas Ethics Commission (commission), to affirm, under oath, that the registrant has complied with this section.

(g) Authorizes the commission to receive complaints regarding a violation of this section. Authorizes the commission, if the commission determines a violation of this section has occurred, after notice and hearing, to impose any penalty that the

commission may impose under another state law; to rescind the person's registration; and to prohibit the person from registering with the commission for a period not to exceed two years from the date of the rescission of the person's registration.

(h) Provides that a penalty under this section is in addition to any other enforcement action that the commission or another person may take under this chapter.

(i) Provides that a restriction on a registrant under this section is in addition to any restrictions on the registrant's conduct under Section 305.0011.

Sec. 305.029. CERTAIN CONFLICTS PROHIBITED. (a) Provides that a conflict of interest exists with respect to a person for purposes of Section 305.028. Prohibits the commission from accepting the registration of the person under Section 305.005, under certain conditions.

(b) Provides that this prohibition of this section is in addition to the prohibition of Section 12.155, Utilities Code.

SECTION 2. Amends Section 305.031, Government Code, to provide that a person commits an offense if the person intentionally or knowingly violates a provision of this chapter other than Section 305.0011, 305.022, or 305.028. Provides that a person commits an offense if the person knowingly violates Section 305.028. Provides that an offense under this subsection is a Class B misdemeanor.

SECTION 3. Amends Section 556.006, Government Code, to prohibit a state agency or subdivision of the state from using appropriated money or employees to attempt to influence the passage or defeat of a legislative measure. Provides that an employee of the state or a subdivision of the state who indicates that they are providing resource testimony to a committee and attempts to influence the passage or defeat of a legislative measure is liable for perjury charges.

SECTION 4. Effective date: September 1, 2001.

Makes application of this Act prospective.