**Interested Parties – House Bill 1295**

This past session, the Texas Legislature passed House Bill 1295, which amended the Texas Government Code by adding Section 2252.908, Disclosure of Interested Parties. Subsequently, the Texas Ethics Commission adopted new rules, effective for contracts entered into on or after January 1, 2016.

HB 1295 adds a disclosure filing requirement for business entities if the business entity contracts with a governmental entity, including a school district, and the contract requires an action or vote by the governing body before the contract may be signed **OR** has a value of at least $1 million. This bid does require approval by the Waco ISD Board of Trustees therefore business entities must adhere to this requirement.

**1. Who is required to file Form 1295?**

In 2015, the Texas Legislature adopted House Bill 1295, which added section 2252.908 of the Government Code. The law states that a governmental entity or state agency may not enter into certain contracts with a business entity unless the business entity submits a disclosure of interested parties (Form 1295) to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency. The Texas Ethics Commission has adopted rules requiring the business entity to file Form 1295 electronically with the Commission.

**2. What contracts does Form 1295 apply to?**

The law applies only to a contract of a governmental entity or state agency that either:

(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. Gov’t Code § 2252.908.

The disclosure requirement applies to a contract entered into on or after January 1, 2016.

A contract does not require an action or vote by the governing body of a governmental entity or state agency if:

(1) the governing body has legal authority to delegate to its staff the authority to execute the contract; (2) the governing body has delegated to its staff the authority to execute the contract; and (3) the governing body does not participate in the selection of the business entity with which the contract is entered into. 1 T.A.C. § 46.1(c).

**3. Can I file Form 1295 on paper?**

No. A business entity must file Form 1295 electronically with the Texas Ethics Commission using the [online filing application](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm). See Question #4 for information about logging in to the online filing application.

**4. How do I login to the filing application?**

[www.ethics.state.tx.us/whatsnew/elf\_info\_form1295.htm](http://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm)

If this is your first time logging in, you will need to create an account in order to register and receive a password. Once you have registered, you will receive an email containing a password setup link. Click on the link to set your password. After you have established an account, you will use your email address, password, and user type (“Business Entity”) to log in to the [filing application.](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm) Watch our short videos on *"Logging In The First Time"* and *“How to Submit A Certificate”* *H*on the [Form 1295 File Reports Electronically](https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm) web page.

**5. What do I do next?**

The completed certificate must be printed, signed, notarized and included with your proposal response. The school district cannot award a contract without this process being complete.