Chapter 176 Texas Local Government Code §176.009 Conflict of Interest Disclosure General Information

The 84th Texas Legislature passed House Bill 23 (effective September 1, 2015) which modified the law related to conflict of interest disclosure requirements for local government officers and vendors.

The following general information is provided for informational purposes only and should not be considered as legal advice to any individuals or entities.

For additional information, please refer to Texas Local Government Code Chapter 176, as amended by House Bill 23.

- **Local Government Officers:**The law requires local government officers to file conflicts disclosure statements (**Form CIS**, see link) disclosing certain business and/or family relationships they (or their family members) may have with vendors if the vendor enters into a contract with FISD or FISD is considering entering into a contract with the vendor. The law also mandates that local government officers disclose certain gifts and income received by the local government officer (or their family members) from vendors; including, but not limited to, lodging, transportation or entertainment accepted as a guest. Local government officers include (1) members of the SISD Board of Trustees; (2) SISD Superintendent of Schools; and (3) an agent (including an employee) of SISD who exercises discretion in the planning, recommending, selecting, or contracting of a vendor.

- **Vendors:**The law also requires vendors to file conflicts of interest questionnaires (**Form CIQ**, see link below) disclosing certain business and/or family relationships they may have with local government officers (or their family members). The law mandates that vendors disclose certain gifts and income given to a local government officer (or their family members); including, but not limited to, lodging, transportation or entertainment accepted as a guest. The law mandates that vendors also disclose certain income received from or at the direction of a local government officer (but not received from SISD).

Please note that there are potential criminal penalties (Class A, Class B, or Class C misdemeanors) for local government officers and vendors who fail to comply with Texas Local Government Code Chapter 176, see Section 176.013. In addition, SISD may reprimand, suspend, or terminate the employment of an employee who knowingly fails to comply with a requirement adopted under Chapter 176. The SISD Board of Trustees may, at its discretion, declare a contract void if the Board of Trustees determines that a vendor failed to file a conflict of interest questionnaire (Form CIQ) required by Section 176.006.

Conflict of Interest Forms

In August, 2015, the Texas Ethics Commission adopted revised Forms CIS and CIQ pursuant to House Bill 23. Please note that the Texas Ethics Commission does **NOT** have jurisdiction to interpret or enforce Chapter 176 of the Texas Local Government Code. Also, please note that these forms are **NOT** filed with the Texas Ethics Commission. The forms **MUST** be filed with the SISD records administrator in accordance with the timelines in Chapter 176.