## AN ACT

relating to standards of conduct for and conflicts of interest of state officers and employees.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 572.051, Government Code, is amended to read as follows:

Sec. 572.051. STANDARDS OF CONDUCT; STATE AGENCY <u>ETHICS POLICY</u>. (a) A state officer or employee should not:

(1) accept or solicit any gift, favor, or service that might reasonably tend to influence the officer or employee in the discharge of official duties or that the officer or employee knows or should know is being offered with the intent to influence the officer's or employee's official conduct;

(2) accept other employment or engage in a business or professional activity that the officer or employee might reasonably expect would require or induce the officer or employee to disclose confidential information acquired by reason of the official position; (3) accept other employment or compensation that could reasonably be expected to impair the officer's or employee's independence of judgment in the performance of the officer's or

employee's official duties;

(4) make personal investments that could reasonably be expected to create a substantial conflict between the officer's or employee's private interest and the public interest; or

(5) intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised the officer's or employee's official powers or performed the officer's or employee's official duties in favor of another.

(b) A state employee who violates Subsection (a) or an ethics policy adopted under Subsection (c) is subject to termination of the employee's state employment or another employment-related sanction. Notwithstanding this subsection, a state officer or employee who violates Subsection (a) is subject to any applicable civil or criminal penalty if the violation also constitutes a violation of another statute or rule.

(c) Each state agency shall:

(1) adopt a written ethics policy for the

agency's employees consistent with the standards prescribed by Subsection (a) and other provisions of this subchapter; and

(2) distribute a copy of the ethics policy and this subchapter to:

(A) each new employee not later than the third business day after the date the person begins employment with the agency; and

(B) each new officer not later than the third business day after the date the person

qualifies for office.

(d) The office of the attorney general shall develop, in coordination with the commission, and distribute a model policy that state agencies may use in adopting an agency ethics policy under Subsection (c). A state agency is not required to adopt the model policy developed under this subsection.

(e) Subchapters E and F, Chapter 571, do not apply to a violation of this section.

(f) Notwithstanding Subsection (e), if a person with knowledge of a violation of an agency ethics policy adopted under Subsection (c) that also constitutes a criminal offense under another law of this state reports the violation to an appropriate prosecuting attorney, then, not later than the 60th day after the date a person notifies the prosecuting attorney under this subsection, the prosecuting attorney shall notify the commission of the status of the prosecuting attorney's investigation of the alleged violation. The commission shall, on the request of the prosecuting attorney, assist the prosecuting attorney in investigating the alleged violation. This subsection does not apply to an alleged violation by a member or employee of the commission.

(g) Not later than November 1, 2007, the office of the attorney general shall:

(1) develop a model ethics policy as required by
Subsection (d); and

(2) distribute the policy to each state agency required to adopt an ethics policy under Subsection (c).

(h) Not later than January 1, 2008, each state agency shall:

(1) adopt an ethics policy as required by Subsection (c); and

(2) distribute a copy of the ethics policy and this subchapter to each employee of the agency.

(i) Subsections (g) and (h) and this subsection expire January 15, 2008.

SECTION 2. Section 572.051, Government Code, as

amended by this Act, applies only to conduct of a state officer or employee that occurs on or after September 1, 2007. Conduct of a state officer or employee that occurs before September 1, 2007, is governed by the law in effect on the date the conduct occurred, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2007.