

Instructions for Completing Form 1295 - Business Entity: Disclosure of Interested Parties

In accordance with Section 2252.908 of the Texas Government Code, the Houston-Galveston Area Council may not enter into a contract with a business entity that requires the approval of the Board of Directors until that business entity files a Form 1295 with the Texas Ethics Commission through the Texas Ethics Commission's online reporting and then files the completed, signed, and notarized Form 1295 with the Houston-Galveston Area Council.

The Texas Legislature adopted House Bill 1295 in 2015. HB 1295 added Section 2252.908 to the Government Code. Under this law, any business entity that enters into a contract with the Houston-Galveston Area Council, that requires the approval of the Board of Directors, must submit a "Disclosure of Interested Parties" prior to the execution of the contract. The "Disclosure of Interested Parties" form was promulgated by the Texas Ethics Commission, and is the "Form 1295".

The Texas Ethics Commission was also charged with promulgating rules to implement Section 2252.908 of the Government Code. The rules adopted by the Texas Ethics Commission are located at Sections 46.1, 46.3, and 46.5 of Title 1 of the Texas Administrative Code.

The Texas Ethics Commission's website is: www.ethics.state.tx.us. The area of their website pertaining to Form 1295 is: www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm.

Each business entity must visit the Texas Ethics Commission, since **Form 1295 must be completed electronically through the Texas Ethics Commission website** (handwritten forms are not allowable).

Once the business entity has completed their electronic filing of Form 1295, the business entity must print, sign and notarize the form. The business entity must then submit the completed, signed, and notarized Form 1295 to the Houston-Galveston Area Council Procurement Administrator. Please mail or deliver the completed, signed, and notarized Form 1295 to:

Houston-Galveston Area Council
Attn: Procurement Administrator

Mailing address
P.O. Box 22777
Houston, TX 77227-2777

Physical Delivery
3555 Timmons Lane, Suite 100 (Mail Room/Print Shop)
Houston, TX 77027

The above process must be completed before any contract may be executed. No portion of the Form 1295 process commits the Houston-Galveston Area Council to any type of award or contract whatsoever.

After the Procurement Administrator receives the completed, signed, and notarized Form 1295, the Procurement Administrator will, within 30 days, go the Texas Ethics Commission website to submit electronic confirmation of the Houston-Galveston Area Council's receipt of the completed, signed, and notarized Form 1295.

The Houston-Galveston Area Council hopes this summary information is helpful. However, this information is not exhaustive, and all business entities are encouraged to visit the Texas Ethics Commission website, which contains frequently asked questions, instructional videos, and more on HB1295/Section 2252.908 requirements and/or consult with your own counsel.

CERTIFICATE OF INTERESTED PARTIES

OFFICE USE ONLY

Complete Nos. 1 - 4 and 6 if there are interested parties.
Complete Nos. 1, 2, 3, 5, and 6 if there are no interested parties.

1 Name of business entity filing form, and the city, state and country of the business entity's place of business.

[fill in the requested business entity information]

2 Name of governmental entity or state agency that is a party to the contract for which the form is being filed.

[Houston-Galveston Area Council]

3 Provide the identification number used by the governmental entity or state agency to track or identify the contract, and provide a description of the goods or services to be provided under the contract.

[fill in procurement solicitation/contract number here]

Table with 4 columns: Name of Interested Party, City, State, Country (place of business), and Nature of Interest (Controlling, Intermediary). Includes red text reference to Texas Government Code and Administrative Code.

5 Check only if there is NO Interested Party. []

6 AFFIDAVIT I swear, or affirm, under penalty of perjury, that the above disclosure is true and correct.

[Sign and notarize the form before submitting to the Procurement Administrator of H-GAC]

Signature of authorized agent of contracting business entity

AFFIX NOTARY STAMP / SEAL ABOVE

Sworn to and subscribed before me, by the said _____, this the _____ day of _____, 20 _____, to certify which, witness my hand and seal of office.

Signature of officer administering oath Printed name of officer administering oath Title of officer administering oath

ADD ADDITIONAL PAGES AS NECESSARY

Tex. Gov't Code § 2252.908

(a) In this section:

- (1) "Business entity" means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership, or corporation.
- (2) "Governmental entity" means a municipality, county, public school district, or special-purpose district or authority.
- (3) "Interested party" means a person who has a controlling interest in a business entity with whom a governmental entity or state agency contracts or who actively participates in facilitating the contract or negotiating the terms of the contract, including a broker, intermediary, adviser, or attorney for the business entity.
- (4) "State agency" means a board, commission, office, department, or other agency in the executive, judicial, or legislative branch of state government. The term includes an institution of higher education as defined by Section 61.003, Education Code.

(b) This section applies only to a contract of a governmental entity or state agency that:

- (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.

(c) Notwithstanding Subsection (b), this section does not apply to:

- (1) a sponsored research contract of an institution of higher education;
- (2) an interagency contract of a state agency or an institution of higher education; or
- (3) a contract related to health and human services if:
 - (A) the value of the contract cannot be determined at the time the contract is executed; and
 - (B) any qualified vendor is eligible for the contract.

(d) A governmental entity or state agency may not enter into a contract described by Subsection (b) with a business entity unless the business entity, in accordance with this section and rules adopted under this section, submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency.

(e) The disclosure of interested parties must be submitted on a form prescribed by the Texas Ethics Commission that includes:

- (1) a list of each interested party for the contract of which the contracting business entity is aware; and
- (2) the signature of the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury.

(f) Not later than the 30th day after the date the governmental entity or state agency receives a disclosure of interested parties required under this section, the governmental entity or state agency shall submit a copy of the disclosure to the Texas Ethics Commission.

(g) The Texas Ethics Commission shall adopt rules necessary to implement this section, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's Internet website.