

**Ethical Requirements for Officers and Employees of
Local Public Entities in Texas,
By Scott Bounds, Olson & Olson, L.L.P.**

Before the Norman conquest of England in 1066 by William the Conqueror, justice was administered in England by shires, or what is today known as county courts. The shires were presided over by the church bishop and the sheriff exercising both church and civil jurisdiction. The English government was more complex than the Norman system and, other than collect land taxes and swing the sphere of English ties from Scandinavia toward France, William made few changes in the English system.

In 1154, Henry II became the first Plantagenet king. Henry created a system of law "common" to the country by incorporating and elevating local customs to the national level. He did so by eliminating some local peculiarities and arbitrary remedies, and by providing for a jury system in all counties—citizens sworn on oath to investigate criminal accusations and civil claims. Henry also developed the practice of sending judges from the king's central court in London to hear various disputes throughout the country. The king's judges would then return to Westminster in London, and discuss their cases and the decisions they had made with the other judges. These decisions were recorded and filed.

In time, a rule, known as *stare decisis* developed, whereby a judge would be bound to follow the decision and apply the same principles promulgated by that of an earlier judge if the two cases had similar facts to one another. Once judges began to regard each other's decisions to be binding precedent, the customs and laws varying in each locality were replaced by a system that was (at least in theory) common throughout the whole country, hence the name "common law." Henry's creation of a powerful and unified court system brought him into conflict with the Church, but judge-made common law operated as the primary source of law for several hundred years.

At common law, a trustee or public officer was impliedly bound to exercise the power conferred on him by his principal or the King with disinterested zeal and diligence, and primarily for the benefit of the ward or the public, respectfully. Accordingly, a violation of that common law duty could unwind a transaction in which the officer had received any special benefit.

Alexander Hamilton, writing about Indian Affairs in 1774, applied the common law rule:

The plain inference from this is that the public officer who has an agency in making those contracts shares in the profit of them, and that a part of the money which is expended flows into his coffers. ... If it is his meaning, then he owes it to the public to answer the following questions: Does he know by what public officer the contracts for supplying the army are made? Has he any ground to believe that that officer ever advised a single step which has led to the present Indian war? Does he know what his official conduct has been with regard to it? Does he know what his private character has been as to pecuniary affairs? Is he acquainted with a single fact or even circumstance which can justify a suspicion that he has ever been directly or indirectly interested in any contract in which he has had an agency? (emphasis added)

Similarly, in 1795 persons seeking various English government offices, such as that regulating fishing permits, were required to execute an oath that they would [“faithfully and honestly, according to the best of (their) skill and judgment, execute the several powers and trust .., and that (they were) not, directly or indirectly, concerned as an adventurer in the White Herring Fishery, or in any other fishery, or as a curer of fish, and that (they would) not be concerned therein, either directly or indirectly, during the time (of their office)”.] Parliamentary Papers, House of Commons and Command, Volume 31, page 47.

TEXAS COMMON LAW RULE AND CODIFICATION

In 1836, the Republic of Texas adopted a Constitution that provided, in part, that the Texas Congress should as early as practicable introduce, by statute, the common law of England, with such modifications as our circumstances, in their judgment, may require, and in all criminal cases the common law shall be the rule of decision. Texas Constitution Article IV, § 13 (1836). Texas adopted its first penal code in 1856 and it provided that any person who is an officer (of the public land office) who shall, directly or indirectly be interested in a land transaction would be removed from office and fined \$500.00. Texas Penal Code Chapter VI, Art. 244 (1856). In 1868 the Texas Constitution was amended to provide that no member of the Legislature shall be “interested, either directly or indirectly, in any contract with the state, or any county thereof.” Texas Constitution Art. III, § 18 (1868).

In 1874, the Texas Legislature amended the Texas Penal Code to punish “any officer of any county, city or town, who shall contract directly or indirectly, or become in any way interested in any contract for the purchase of any draft or order on the treasury”. Texas Penal Code Art. 248¹; *Read, Executor v. Smith*, 60 Tex. 379, 1883 WL 9342 (Tex.) (county scrip); *Rigby v. State*, 10 S.W. 760 (Tex.App. 1889) (Goliad commissioner convicted for selling County two mules for \$200). In short, the Legislature was consistent with the move away from common law to a codified or statutory law, incorporating the common law within the general statutory framework of the State. These statutes paralleled similar fiduciary duties imposed by other governmental entities upon their officers and employees and upon the officers, employees and trustees of banks, estates, railroads, and other entities, effectively codifying the common law rule of fidelity. *See, e.g.*, The Napoleon Code art. 798; *Astor v. Winter*, 1820 WL 1302 (La. 1820); *Appeal of City of Philadelphia*, 1878 WL 13254 (Pa. 1878).

The Texas Legislature adopted the General Act of 1875 authorizing the incorporation under general law for cities. Again, the General Act, consistent with the Texas Constitution and the Texas Penal Code, generally prohibited a city council member from holding any other city employment or becoming interested in any city “work, business or contract,” or “being a surety on a performance or official bond.” *See Texas Anchor Fence Co. v. City of San Antonio*, 71 S.W. 301 (Tex.Civ.App.-San Antonio 1902) (fence and gate); Brooks, 22 TEXAS PRACTICE, *MUNICIPAL LAW AND PRACTICE*, § 3.12. From 1925 through the 1983, the conflict of interest provision for general law cities was codified as Article 988b of the Texas Revised Civil Statutes: “No member of the city council, or any other officer of the corporation, shall be directly or indirectly interested in any work, business or contract, the expense, price or consideration of which is paid from the city treasury, or by an assessment levied by an ordinance or resolution of the city council.” *See Dallas County Flood Control District No. 1 v. Cross*, 815 S.W.2d 271 (Tex.Civ.App.-Dallas 1991) (discussion 988b; purchase of real property from commissioner); *Woolridge v. Folsom*, 564 S.W.2d 471 (Tex.Civ.App.-Dallas 1978) (statute prohibiting conflicts of interest involving city officers was inapplicable to home rule cities).

¹ The 1874 conflict of interest penal statute was repealed in 1973 as part of the recodification of the Texas Penal Code.

PROGRESSIVE MOVEMENT CONTINUES

The National Municipal League, organized in New York in 1894, published the first model city charter in 1897. National Municipal League, A MUNICIPAL PROGRAM (1897). Article V Section 4 of the first charter provided that no counselor (sic) should “be interested directly or indirectly in any contract with the City or be in the employ of any person having any contract with the City.” *Id.* In 1915, the League revised the model program with a city charter, that incorporated the city manager form of government, and included a provision that provided, in part, that “no member of the council nor any officer or employee of the City shall have a financial interest, direct or indirect, in any contract with the city, or be financially interested, directly or indirectly, in the sale to the city of any land, materials, supplies or services, except on behalf of the city as a member of the council, officer or employe (sic)...”. National Municipal League, A MODEL CITY CHARTER AND MUNICIPAL HOME RULE at page 53 (1915).

The common law rule regarding conflict of interest, consistent with the prior Texas law, became part of municipal charters in Texas (and other states) and specific statutory offices in Texas (and other States). *See e.g.*, City of Cleveland City Charter § 8.01 (personal interest in city contract); City of Edna City Charter Article 10 § 7 (personal interest in contracts); City of Kaufman City Charter § 3.14 (auditor shall have no personal interest, direct or indirect, in fiscal affairs of the City); City of Lufkin City Charter Art. 11, § 11 (no member of council or any officer or employee of the City shall be directly interested in any work, business or contract, paid from the city treasury); City of Sweeny City Charter § 10.10 (no member of council, or any officer or employee of the City shall have a pecuniary interest in any contract paid by the City treasury *unless in compliance with the applicable laws of the State of Texas*). (emphasis added)²

Additionally, some cities and the Texas Legislature adopted ordinances and statutes incorporating the common law rule with regard to specific officers and employees. *See, e.g.*, City of Houston Code of Ordinances § 15-2 (Collusion in bidding on public work); Texas Local Government Code 81.002(a) (commissioners court oath); Texas Local Government Code 321.027 (park commissioners and employees); Texas Local Government Code § 352.102

² Sweeney’s charter provision appears to be modeled after §21.002 of the Texas Local Government Code regarding County Commissioners Court.

(county fire marshal); Texas Occupations Code § 2071.401 (public surveyors). Accordingly, the common law ethical requirement of disinterested zeal in public office is buried deep in the statutory and legal framework of many local public entities.

Finally, the common law conflict of interest standard sometimes creeps into local government transactions by contract. For example, The Department of Housing and Urban Development has entered into grant agreements with cities in which the city (grant recipient) warranted that “no member, officer or employee of the Recipient, or its designees, or agents, no consultant ... and no other public official of the Recipient, who exercises or has exercised any functions or responsibilities with respect to the Project during his or her tenure, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof, for work to be performed in connection with the Project or in any activity, or benefit therefrom, which is part of this Project.” *See* Tex. Att’y Gen. Op. No. MW-477 (1982) (whether city official can participate in federal grant as merchant). Under the common law rule in Texas, if a public official directly or indirectly had a pecuniary interest in a contract, no matter how honest he may be, and although he may not have been influenced by the interest, such a contract so made violates both the spirit and the letter of the law, and against public policy; i.e., void. *Id.*

AFFIDAVITS DISCLOSING INTERESTS REQUIRED³

At common law the officer had no specific duty to disclose a possible conflict of interest, only a duty to perform the duties of the office or position with disinterested zeal. In 1983 the Texas Legislature required that public officials publicly disclose any conflict of interest before an action was taken on the matter. Tex.Loc.Gov’t Code § 171.004. Chapter 171 then provides that any person required to file an affidavit must “abstain from further participation in the matter if ... the action on the matter will have a special economic effect” favorable to the official or the person, business or property related to the official.” *Id.*

Prior to a local government taking any action on any matter in which an officer or the officer’s relatives has a substantial interest, the officer must file an affidavit disclosing that substantial interest to the public. A “substantial Interest” means ownership of 10% or more of

³ Chapter 572 (Person Financial Disclosure, Standards of Conduct, and Conflict of Interest), and Chapter 575 (Acceptance of Gift by State Agency) of the Texas Government Code generally proscribe the state’s policies regarding state officers or employees who may have an direct or indirect interest in any adverse interest that may affect the proper discharge of their official duties.

the voting shares of a business, or ownership of \$15,000.00 or more of the fair market value of the business, or receipt of 10% or more of one's gross income from the business, or ownership of an equitable or legal interest in real property worth more than \$2,500. *Id.* § 171.002(a) and (b). Relatives mean the official, or persons related to the official within the first degree of consanguinity (child or parent) or first degree of affinity (spouse, mother-in-law, father-in-law, son in-law, daughter-in-law, stepson, stepdaughter, stepmother or stepfather). *Id.* § 171.002(c). Unlike common law, the filing of an affidavit and abstention do not preclude the entity from proceeding with the matter or approving the matter even if there is a conflict of interest.

COMMON LAW PREEMPTED BUT OTHER LAWS CUMULATIVE

The state disclosure law, however, expressly “preempts the common law of conflict of interests as applied to local public officials.”⁴ Texas Local Government Code § 171.007(a) (emphasis added). Chapter 171 is, however, also “cumulative of municipal charter provisions and municipal ordinances⁵ defining and prohibiting conflicts of interests.” *Id.* §171.007(b). Accordingly, the more stringent of Chapter 171, other state laws, local or municipal charters or other local or municipal laws may apply to any conflict of interest situation. If a local entity had as part of its charter documents or local laws adopted the common law conflict of interest rule, then the common law rule continues to be applicable to the entity and its officers and employees. Perhaps not so clear is the remedy applied to the public entity in the event of a violation of the common law conflict of interest; i.e., is the transaction related to the conflict of interest unwound, void, or voidable.

The Texas Legislature has adopted various amendments or limitations to Chapter 171 and scattered them around the codes. For example, § 81.002 of the Texas Local Government Code provides that “(s)ubject to the provisions of Chapter 171” ... a county judge or commissioner may serve as “an officer or director of an entity that does business with the county.” Chapter 49 of the Texas Water Code provides that Chapter 171 of the Texas Local Government Code applies to a water and reclamation district and also requires that the district adopt in writing a

⁴ “Local public official” means a member of the governing body or another officer, whether elected, appointed, paid, or unpaid, of any district (including a school district), county, municipality, precinct, central appraisal district, transit authority or district or other local governmental entity who exercises responsibilities beyond those that are advisory in nature.”

⁵ Is ethics policy adopted by resolution only effective?

code of ethics for the district's board of directors. To the extent that the district's board adopts a more stringent code, then those rules would apply. Texas Water Code §§ 49.058, 49.199. The Texas Tax Code also contains special rules for appraisal district board members and the chief appraiser (Sections 6.035 and 6.036), appraisal review board members (Sections 6.412 and 6.413) and tax increment board members (Sections 311.009(g)(1)). This list is exhausting, but not exhaustive. *See, e.g.*, Texas Special Districts Code § 8505.060 (conflict of interest; penalty); Texas Transportation Code §§ 366.260 and 370.260.

MORE DISCLOSURES REQUIRED

In 2005, the Texas Legislature added more disclosure requirements for public officials and for persons contracting or seeking to contract with a public entity by that adoption of Chapter 176 of the Texas Local Government Code. Like Chapter 171, Chapter 176 requires the filing of paperwork. The forms required under the Chapter 176 are generated by the Texas Public Ethics Commission and are called Conflict of Interest Statements (CIS FORMS) and Conflict of Interest Questionnaires (CIQ FORMS). These forms must be filed with the public entity and the county clerk if there is a potential conflict between a local government officer and a contractor or vendor of the local government. Tex.Loc.Gov't Code §§ 176.001-176.006. Additionally the local government is required to post the disclosures on its website. Tex.Loc.Gov't Code §176.009.

CIS FORMS. A local government officer⁶ must file a conflicts disclosure statement (CIS form) for any person or entity (referred to in the statute caption as a vendor) who enters into a contract, or seeks to enter into a contract with the local government if that local government official has any employment or business relationship with that vendor by which the local government official, or any member of his or her family, receives more than \$2,500 in taxable income, other than investment income, during the preceding 12-month period, or if the vendor has given the officer or his or her family any gift or gifts that aggregate more than \$250 in value. Tex.Loc.Gov't Code §§ 176.003 and 176.004.

CIQ FORMS. Additionally, the vendor who may have a relationship with officer must also file a disclosure statement of that relationship. Tex.Loc.Gov't Code § 176.006. For example, if Olson & Olson gave a local government officer football tickets with a face value of

⁶ Local government officer is defined at Tex.Loc.Gov't Code § 176.001(4).

more than \$250 during a football season, then both the officer and Olson & Olson would be required to file disclosure forms documenting that relationship. A gift to an officer who is a family member as a family member, and a gift to an officer who accepts the gift in the form of food, lodging or transportation as a guest (and accompanied by the vendor, does not have to be disclosed. Tex.Loc. Gov't Code §§ 176.003 (a-1)(1) and (3).

NEPOTISM

Although Chapters 171 and 176 require the disclosure of matters that affect both the officer and his family, state law also prohibits nepotism. Texas Government Code Chapter 573 (Degrees of Relationship; Nepotism Prohibitions); *see generally* Texas Attorney General Nepotism Laws Made Easy (2012). In general, a public official may not appoint a person who would be compensated from public funds if the individual is related to the person within the third degree of consanguinity or second degree by affinity.

OTHER CRIMINAL STATUTES PROHIBIT BENEFITING FROM PUBLIC SERVICE

Other state laws govern conduct in public office, such as bribery, coercion of public servants, improper influence, gifts to public servants, abuse of official capacity, official oppression, and misuse of official information. *See generally* Texas Penal Code Chapter 36-39. *See generally* Texas Attorney General TEXAS ETHICS, GIFT & HONORARIUM LAWS MADE EASY (2012). For example, the bribery statute provides that “a person commits an offense if ... he intentionally or knowingly ... offers, confers, or agrees to confer on another ... or solicits, accepts, or agrees to accept from another ... any benefit ... as consideration for the recipient’s decision, opinion, recommendation, vote, or other exercise of discretion as a public servant. Texas Penal Code § 36.02. Accordingly, it would be unlawful for a member of a governing body to accept a benefit (i.e., cash placed in the trunk of his car parked outside a governmental meeting) as consideration for his vote (i.e., to approve a contract at the governmental meeting). Similarly, no local official should accept or solicit any gift, favor or service that might reasonably tend to influence the public officer in the discharge of official duties, or that the officer knows or should know that is being offered to influence the officer’s

official conduct. Texas Penal Code Chapter 36. State laws also prohibit the use or disclosure of confidential information except for the governmental entity's business. Texas Penal Code § 39.06. A public officer should not make personal investments that could reasonably be expected to create a conflict of interest between the officer's private interest and interest of the governmental entity or permit any unauthorized use of government-owned or government-controlled equipment, materials, supplies or property. Texas Penal Code Chapter 39.

DUAL OFFICE HOLDING WARNING

For those local government officers who may have political ambitions beyond the position they currently hold, the officer should be aware that there is a potential conflict of interests in public positions. *See generally* Texas Attorney General DUAL OFFICE HOLDING LAWS MADE EASY (2012). If an officer receives compensation or a "per diem" for public service, then they may be deemed to hold an office of compensation or emolument. The Texas Constitution and the Chapter 574 of the Texas Government Code prohibit a person from holding two offices of emolument. Texas Constitution Article XVI § 40. If a public officer accepts or declares an intention to seek another office of emolument, then that action alone may result in an automatic termination of the first office. Accordingly, any public employee or officer should, before accepting or declaring for any other public office, consult with their attorney to discuss the possible consequences of that action.

CAMPAIGN AND OFFICEHOLDER CONTRIBUTIONS

A candidate for office as well as an officeholder must comply with disclosure laws showing contributions received and expenditures made on behalf of the candidate or officeholder. *See generally* Texas Election Code Title 15 (chapters 251 – 258, *especially* 254-255); Texas Ethics Commission CAMPAIGN FINANCE GUIDE FOR CANDIDATES AND OFFICEHOLDERS WHO FILE WITH LOCAL FILING AUTHORITIES (2013) (limits the acceptance and use of campaign contributions). A person who knowingly and wilfully takes affirmative action for the purpose of gaining nomination or election to public office or for the purpose of satisfying financial obligations incurred by the person in connection the campaign for nomination or election must file an "APPOINTMENT OF A CAMPAIGN TREASURER BY A

CANDIDATE (FORM CTA)” even if the person does not intend to accept campaign contributions or make campaign expenditures. The Texas Ethics Commission is generally charged with enforcing the laws regarding political advertising and political expenditures.

THE CLIENT

Most often the public entity will have to rely on the officer or person dealing with it to identify when a conflict of interest exists. The public official or employee likely knows his or her business and family best, and the attorney for the entity must necessarily rely on the official or employee to know if facts arise that may cause a potential conflict of interest. When a potential conflict of interest exists, the attorney for the entity may have a conflict of interest with the person serving as its officer or employee. *See generally* Texas Rules of Professional Conduct Rule 1, *especially* Rule 1.12. If the official or employee violates a statute related to conflict of interest, the public entity’s risk is that the deal may be unwound – or voided. If the official or employee violates the conflict of interest statute, their risk is a criminal penalty, including a fine or jail. It is usually prudent that the public officer consult with his or her own private attorney to discuss

CONCLUSION

Each public official and employee should serve their public entity with disinterested zeal. If a public officer or employee, or a person related to the officer or employee, has an interest, direct or indirect, in any contract, work or business being considered by the public entity, then the officer or employee should carefully consider the laws applicable to the situation to determine whether some affidavit, disclosure or abstention is required.

Scott Bounds

OLSON & OLSON, L.L.P.

JANUARY 14, 2014

Affidavit Disclosing Interest

CIS Form

CIQ Form

AFFIDAVIT OF SUBSTANTIAL INTEREST

THE STATE OF TEXAS §
 §
COUNTY OF _____ §

BEFORE ME, the undersigned authority, on this day personally appeared the individual whose name and signature appear below, who, being duly sworn, upon oath says:

"I, **J. D. OLSON**, state that:

(I and/or a person related to me) (own/owns stock or shares in _____; receive/receives income from _____; and/or own/owns an interest the real property at _____).

Signature

SWORN AND SUBSCRIBED TO BEFORE ME, the undersigned authority, on (DATE).

Notary Public in and for the State of Texas

SEAL

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

FORM CIS

(Instructions for completing and filing this form are provided on the next page.)

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This is the notice to the appropriate local governmental entity that the following local government officer has become aware of facts that require the officer to file this statement in accordance with Chapter 176, Local Government Code.

OFFICE USE ONLY

Date Received

1 Name of Local Government Officer

2 Office Held

3 Name of person described by Sections 176.002(a) and 176.003(a), Local Government Code

4 Description of the nature and extent of employment or other business relationship with person named in item 3

5 List gifts accepted by the local government officer and any family member, excluding gifts described by Section 176.003(a-1), if aggregate value of the gifts accepted from person named in item 3 exceed \$250 during the 12-month period described by Section 176.003(a)(2)(B)

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

Date Gift Accepted _____ Description of Gift _____

(attach additional forms as necessary)

6 AFFIDAVIT

I swear under penalty of perjury that the above statement is true and correct. I acknowledge that the disclosure applies to a family member (as defined by Section 176.001(2), Local Government Code) of this local government officer. I also acknowledge that this statement covers the 12-month period described by Section 176.003(a), Local Government Code.

Signature of Local Government Officer

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

LOCAL GOVERNMENT OFFICER CONFLICTS DISCLOSURE STATEMENT

Section 176.003 of the Local Government Code requires certain local government officers to file this form. A "local government officer" is defined as a member of the governing body of a local governmental entity; a director, superintendent, administrator, president, or other person designated as the executive officer of the local governmental entity; or an employee of a local governmental entity with respect to whom the local governmental entity has, in accordance with Section 176.005, extended the requirements of Sections 176.003 and 176.004. This form is required to be filed with the records administrator of the local governmental entity not later than 5 p.m. on the seventh business day after the date on which the officer becomes aware of the facts that require the filing of this statement.

A local government officer commits an offense if the officer knowingly violates Section 176.003, Local Government Code. An offense under this section is a Class C misdemeanor.

Please refer to chapter 176 of the Local Government Code for detailed information regarding the requirement to file this form.

INSTRUCTIONS FOR COMPLETING THIS FORM

The following numbers correspond to the numbered boxes on the other side.

- 1. Name of Local Government Officer.** Enter the name of the local government officer filing this statement.
- 2. Office Held.** Enter the name of the office held by the local government officer filing this statement.
- 3. Name of person described by Sections 176.002(a) and 176.003(a), Local Government Code.** Enter the name of the person described by Section 176.002, Local Government Code with whom the officer has an employment or other business relationship as described by Section 176.003(a), Local Government Code.
- 4. Description of the nature and extent of employment or business relationship with person named in item 3.** Describe the nature and extent of the employment or other business relationship with the person in item 3 as described by Section 176.003(a), Local Government Code.
- 5. List gifts accepted, excluding gifts described by Section 176.003(a-1), if aggregate value of the gifts accepted from person named in item 3 exceed \$250.** List gifts accepted during the 12-month period (described by Section 176.003(a), Local Government Code) by the local government officer or family member of the officer, excluding gifts described by Section 176.003(a-1), from the person named in item 3 that in the aggregate exceed \$250 in value.
- 6. Affidavit.** Signature of local government officer.

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor or other person doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session.

This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).

By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.

A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

OFFICE USE ONLY

Date Received

1 Name of person who has a business relationship with local governmental entity.

2 Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 Name of local government officer with whom filer has employment or business relationship.

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

Yes No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

Yes No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

Yes No

D. Describe each employment or business relationship with the local government officer named in this section.

4

Signature of person doing business with the governmental entity

Date