Chapter 18

ETHICS AND FINANCIAL DISCLOSURE*

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ARTICLE I. IN GENERAL

Sec. 18-1. Policy.

It is the policy of the city that all city officials and candidates for city elective office shall act and conduct themselves, both inside and outside the city's service, so as to give no occasion for distrust of their integrity, credibility or devotion to the best interests of the city and the public trust that it holds. To this end, there is established in this chapter an ethics committee for the city. The purpose of the committee is to accept and review complaints of impropriety on the part of city officials and candidates for city elective office including, but not limited to, conflicts of interest such as the use of offices or employment for private gain, the granting and exchanging of favored treatment to persons, businesses, or organizations, and the conduct of activities that engender opportunities to influence government decisions for personal gain or advantage, or that might otherwise bring discredit on or to the city. Additionally, the policy of the city in adopting article IV of this chapter is:

(1) to eliminate any undue influence or the appearance of undue influence,

(2) to prohibit solicitation of campaign funds by city employees or certain appointed officials, and

(3) to reduce the pressure on incumbents to spend increasing amounts of time raising funds for campaigns.

(Ord. No. 87-59, § 1, 1-14-87; Ord. No. 92-1245, § 1, 9-16-92; Ord. No. 00-690, § 1, 7-26-00)

Sec. 18-2. Definitions.

The following words, terms and phrases, when used in this chapter, shall have the meanings ascribed to them in this section, except where otherwise expressly provided in this chapter or where the context clearly indicates a different meaning:

Benefit means anything reasonably regarded as economic gain or economic advantage, including benefit to any other person in whose welfare the beneficiary is interested.

Business means any activity engaged in for economic gain, whether professional, industrial or commercial, and whether established to produce or deal with a product, service, or property including but not limited to, activities operated in the form of a sole proprietorship, limited partnership, general partnership, corporation, joint stock company, joint venture, receivership or trust or in any other form. The term "business" shall also include activities engaged in for charitable, educational or philanthropic purposes.

Candidate means a person who knowingly and willingly takes affirmative action for the purpose

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***Editor's note**—Section 1 of Ord. No. 87-59, enacted Jan. 14, 1987, amended Ch. 18 to read as set forth herein in §§ 18-1—18-3, 18-11—18-17 and 18-21—18-27. Prior to such amendment, Ch. 18 consisted of §§ 18-1—18-12 which also pertained to ethics and financial disclosure and derived from §§ 16-11—16-22 of the 1968 Code as amended by Ord. No. 81-2238, § 1, enacted Nov. 4, 1981 and Ord. No. 82-732, §§ 1—3, enacted April 28, 1982.

Cross references—Prohibited interest in wrecker companies, § 8-326; prohibited interest in contracts let by city, § 15-1; investigation of employees misconduct (police and firefighters), § 34-160 et seq.

of gaining election to city office or for the purpose of satisfying financial obligations incurred by the person in connection with the campaign for election. The term of the candidate shall also include an office holder of a city elective office or an office holder elect. To the extent that any candidate elects to receive contributions or make expenditures through a "specific-purpose committee" as that term is defined by section 251.001 of the Texas Election Code, then the specific-purpose committee shall be regarded as the agency of the candidate and the actions of the specific-purpose committee shall be deemed to be actions of the candidate who is utilizing the specific-purpose committee. Examples of affirmative action include:

(1) the filing of a campaign treasurer appointment;

(2) the filing of an application for a place on a ballot;

(3) the filing of declaration of a write-in candidacy;

(4) the making of a public announcement of a definite intent to run for city office in a particular election, regardless of whether the specific office is mentioned in the announcement;

(5) before a public announcement of intent, the making of a statement of definite intent to run for city office and the soliciting of support by letter or other mode of communication; and

(6) the soliciting or accepting of a campaign contribution or the making of a campaign expenditure.

City elective office means the offices of the mayor, the various city council positions and the city controller.

City official means the elected city officials, appointive officials as defined at Article Va, Section 2(a) of the city Charter, assistant city attorneys, persons holding executive level employee positions as defined at Article Va, Section 2(f) of the city Charter, and appointed members of city boards, committees and commissions and any person whose services are donated to the city. The term includes full-time and part-time service and service on a long-term or short-term basis, whether undertaken pursuant to a written agreement or otherwise.

Committee means the ethics committee.

Contract means each contract having a value in excess of $30,000.00 that is let by the city for professional services, personal services, high-technology goods, construction or services, or other goods or services of any other nature whether the contract is awarded on a negotiated basis, request for proposal basis, competitive proposal basis or formal sealed competitive bids.

Contract award period means relative to a contract means the period commencing at the time of posting of the city council meeting agenda including an item for the award of the contract and ending upon the 30th day after the award of the contract by city council or a determination by city council or the mayor that the contract will not be awarded to a contractor.

Contractor means any person who has submitted a bid or proposal in any form for the award of a contract and who has been proposed to be awarded the contract in an item placed upon the city council agenda and any other person who seeks the award of the contract and is contesting, appealing or protesting the award of the contract as proposed. The term shall include the proprietor for a proprietorship, each partner having an equity interest of ten percent or more for a partnership and each corporate officer, corporate director or holder of ten percent or more of the outstanding shares of stock for a corporation.

Donated means provided without charge to the city or for compensation of $1.00 per year or less.

Elected city official means any person who holds a city elective office, whether through election or through an appointment to fill an unexpired term thereof.

Election means the process by which individuals (whether opposed or unopposed) seek election to city elective offices. A run-off election is a separate election.

Impropriety means conduct that violates or gives the appearance that one or more of the ethical standards established in section 18-3 herein have been violated.

Interest in real property includes any leasehold, beneficial interest, ownership interest or an option to acquire any such interest in real property.

Member of household means:

(1) A person who is the city official's or candidate's child, ward, parent or other relative, or the child, ward parent or other relative of such official's or candidate's spouse, and who shares the city official's or candidate's legal residence; or

(2) A person who is the city official's or candidate's spouse, child, ward, parent or such relative of the city official's or candidate's spouse, and over whose financial affairs and holdings the city official or candidate has legal or actual control, whether or not they share a legal residence.

Misconduct means an act committed in violation of a penal law of the United State or of the State of Texas, or an act committed in violation of any penal provision of this Code.

Person means an individual, corporation, partnership, labor organization, or an unincorporated association, firm, committee, political committee, club or other organization or group of persons whether associated with a political party or element thereof, or not.

Personal loan means a contribution, loan or other advance from personal resources made to a candidate's campaign by the candidate or personal funds expended on a campaign by a candidate for which reimbursement will be sought or any loans made to a candidate's campaign which are guaranteed in whole or in part by the candidate.

Salaried means receiving compensation from the city in any amount.
(Ord. No. 87-59, § 1, 1-14-87; Ord. No. 92-1245, §§ 2, 3, 9-16-92; Ord. No. 94-1387, §§ 1, 2, 12-21-94; Ord. No. 00-690, § 2, 7-26-00)

Sec. 18-3. Standards of conduct.

(a) No city official shall:

(1) Engage in any business or professional activity that might reasonably tend to conflict with the discharge of official duties.

(2) Invest or hold any investment or interest directly or indirectly in any financial, business, commercial or other transaction, that creates or might reasonably tend to create a conflict between the public trust held as an official of the city and the official's private interests.

(3) Disclose confidential information concerning the property, operations, policies or affairs of the city, or use such confidential information to advance the personal interests, financial or otherwise of said official or others, or accept employment or engage in business or professional activity that the official might reasonably expect would require or induce him to disclose confidential information acquired by reason of his official position.

(4) Use one's official position or the city's facilities, equipment or supplies for the private gain or advantage of the official or others, or use or attempt to use one's official position to secure special advantage for the official or others.

(5) Negotiate for or accept future employment with any person, firm, association or corporation that has a substantial interest in any proposed ordinance or decision within such person's area of responsibility and upon which the official may or must act or make a recommendation subsequent to such negotiation or acceptance.

(6) Appear before the body of which the official is a member while representing any private person, group or interest.

(7) Engage in or promote ideas and/or actions that would demean and defame any particular ethnic group, racial minority group, special interest group and/or religious group.

(b) No salaried city official shall:

(1) Represent, directly or indirectly, any private person, group or interest before any agency of the city, except in matters of purely civic or public concern and when doing so, without compensation or remuneration.

(2) Represent, directly or indirectly, any private person, group or interest in any action or proceeding against the interests of the city, or in any litigation in which the city or any agency thereof is a party. However, this provision shall not prohibit representation by a group, firm or organization the city official is associated with if such city official does not participate in the action, proceeding or litigation in any manner and does not receive any benefit directly or indirectly from the action or proceeding.

(3) Represent, directly or indirectly, any private person, group or interest in any action or proceeding in the municipal courts of the city that was instituted by a city officer or employee in the course of official duties.

The provisions of this subsection shall not be construed to prohibit elected city officials and their staffs, while acting in the course and scope of their duties, from rendering assistance to constituents in obtaining city services, licenses, permits or in transacting other routine matters of public business with city departments or agencies, provided that no preferential treatment or consideration is requested on behalf of the constituents.

The provisions of section 1-6 of this Code shall not be applicable to this section. The provisions of this article shall be cumulative of any other applicable requirements imposed by this Code.
(Ord. No. 87-59, § 1, 1-14-87; Ord. No. 89-1683, § 1, 11-15-89)

Sec. 18-4. Chapter cumulative.

This chapter is cumulative of and supplemental to applicable state and federal laws and regulations. Compliance with the provisions of this chapter shall not excuse or relieve any person from any obligation imposed by state or federal law regarding ethics, financial reporting, campaign financing or any other issue addressed in this chapter.
(Ord. No. 92-1245, § 4, 9-16-92)

Secs. 18-5—18-10. Reserved.

ARTICLE II. ETHICS COMMITTEE

Sec. 18-11. Created; purpose.

There is hereby created and established the ethics committee ("committee") for the city to administer and implement this chapter. The committee shall have the duty and power to review and investigate allegations of impropriety on the part of city officials and candidates for city elective office.
(Ord. No. 87-59, § 1, 1-14-87)

Sec. 18-12. Composition.

The ethics committee shall consist of seven persons of good moral character who shall be adult residents of the city. The mayor shall direct certain organizations to nominate the members of the committee. The positions shall be filled as follows:

(1) *Position 1:* By a member of the legal community. The Houston Bar Association shall nominate the person to fill the position from the legal community.

(2) *Position 2:* By a member of the labor community. The Central Labor Council of the AFL-CIO shall nominate the person to fill the position from the labor community.

(3) *Position 3:* By a member of the medical community. The Harris County Medical Society shall nominate a person to fill the position from the medical community.

(4) *Positions 4, 5, 6 and 7:* By four members from the city community-at-large. The city council shall nominate the persons to fill these four positions.

The city council shall confirm all nominations for positions on the committee. If any nominee is

unable or declines to serve on the committee, or is not confirmed by city council, the nominating authority shall nominate another person to fill the position. If the nominating authority for Position 1, 2 or 3 declines to submit a nomination to fill its respective position, either initially or subsequently, or is unable to do so, or fails to do so within 30 days of the request by the mayor, the city council shall nominate and confirm a person to fill such vacant position.
(Ord. No. 87-59, § 1, 1-14-87)

Sec. 18-13. Term of office.

The initial term of each position as hereby established shall commence on January 1, 1986. The initial terms of Positions 1, 3, 5 and 7 shall expire on December 31, 1987; and the initial term of Positions 2, 4 and 6 shall expire on December 31, 1986. Following the aforesaid initial terms, the term of office for each position on the committee shall be two years. Any vacancy that occurs during an unexpired term shall be filled for the remainder thereof in the manner prescribed in section 18-12 of this Code for original nominations. No member may be an official or employee of the city or be a candidate for such position. A member shall hold office until his successor has been nominated by the proper authority and confirmed by city council.
(Ord. No. 87-59, § 1, 1-14-87)

Sec. 18-14. Chairman, vice-chairman; quorum.

Annually, upon confirmation of its new members, the committee shall elect one of its members to serve as chairman who will preside at all meetings. The committee shall also elect another of its members to serve as vice-chairman who shall preside at meetings in the absence of the chairman. Four members of the committee shall constitute a quorum to transact business. If a quorum is present, a vacancy on the committee shall not impair the right of the remaining members to exercise all the powers of the committee.
(Ord. No. 87-59, § 1, 1-14-87)

Sec. 18-15. Removal of members.

Members of the committee may be removed by the mayor, with the concurrence of city council, for substantial neglect of duty or for conduct that impairs the ability of the member to carry out his committee duties.
(Ord. No. 87-59, § 1, 1-14-87)

Sec. 18-16. Procedures; duties.

(a) The committee may for itself establish any rules of order, evidence, or procedure that are not in conflict with applicable state law.

(b) Neither the committee nor any member shall have power to take action except by authority of majority vote, which shall mean the vote of at least four members.

(c) The committee may request the city attorney to provide legal advice or it may request of city council that special outside counsel be employed to serve in an advisory capacity to the committee. The committee may also request that city council employ or retain any additional staff that the committee may deem necessary, but no person employed or retained by the committee shall be considered an officer or employee of the city.

(d) Upon the sworn complaint of any person the committee shall, and upon its own initiative or an unsworn or anonymous complaint, the committee may, review alleged acts of impropriety on the part of city officials and candidates for city office. At least once each calendar year the director of finance and administration shall cause to be distributed to each city employee in his or her regular pay envelope a notice setting forth the functions and duties of the committee and the procedures for filing complaints, and periodically such notices shall be posted in prominent places in city-owned facilities. The notices shall set forth a city office and telephone number that may be contacted for further assistance or information.

(e) When the committee concludes that there is reasonable cause to believe that an impropriety has occurred, the committee shall make a detailed written report of such conduct to the mayor and city council and to any appropriate department, agency, commission, or board.

(f) When the committee concludes that there is not reasonable cause to believe that impropriety has occurred, it shall report such finding to the mayor and city council and to any appropriate department, agency, commission, or board.

(g) If any complaint received or matter brought to the attention of the committee appears to involve misconduct, the committee shall refer the matter to the police department, district attorney's office or other state or federal authority responsible for the investigation or prosecution thereof. If an impropriety is also alleged therein the committee shall defer its investigation thereof or coordinate its investigation with the agency responsible for the criminal investigation or prosecution so as not to prejudice any investigation of misconduct or prosecution for misconduct that is being conducted by criminal investigation or prosecution authorities.

(h) If, in the course of the committee's review of allegations of impropriety, there appears to be a question or issue of misconduct involved, the committee shall immediately suspend its review and refer the matter under review to the proper federal, state and local governmental authority for investigation and possible criminal prosecution, or coordinate its investigation with the agency responsible for the criminal investigation or prosecution so as not to prejudice any investigation of misconduct or prosecution for misconduct that is being conducted by criminal investigation or prosecution authorities.

(i) When the committee concludes that there has been a violation of subsection (a), part (7) of section 18-3 of this Code it shall have the power to:

(1) Issue a public rebuke and reprimand of the violator; and/or

(2) Request that the violator be removed and relieved of any and all committee membership(s), assignments and/or duties related to same.

(Ord. No. 87-59, § 1, 1-14-87; Ord. No. 89-1683, § 2, 11-15-89)

Sec. 18-17. Opinions.

(a) Upon receipt of a written request from any person subject to the ethical standards set out in section 18-3 herein, the committee may render written advisory opinions about the application of such ethical standards to such person in regard to a specified factual situation, whether existing or hypothetical. Any written advisory opinion so rendered shall be issued not later than the sixtieth day after the date the committee receives the written request.

(b) On its own initiative, the committee may issue a written advisory opinion about the application of the ethical standards set out in section 18-3 herein when a majority of the committee determines that an opinion would be in the public interest or in the interest of any person or persons subject to section 18-3; provided, however, that in no case may the committee issue such an opinion which includes the name of any individual who may be affected by the opinion.
(Ord. No. 87-59, § 1, 1-14-87)

Secs. 18-18—18-20. Reserved.

ARTICLE III. FINANCIAL DISCLOSURE

Sec. 18-21. By city officials and candidates for city office.

(a) The term *"city official"* as used in this article shall have the meaning ascribed in section 18-2 of this Code, except that persons whose services are donated to the city and appointed members of city boards, committees and commissions who are compensated on a per-meeting basis shall be excluded.

(b) On or before April 30 of each calendar year, each city official shall file with the city secretary a financial disclosure statement. The statement shall cover the previous calendar year. For the purposes of this article, a financial disclosure statement filed pursuant to Chapter 145 of the Texas Local Government Code shall be deemed to meet this requirement. In any year, to comply with this section, the city controller may elect to file a financial disclosure statement in the form and on the schedule prescribed by Chapter 145.

(c) Any candidate for a city elective office at a general election who has not filed a financial disclosure statement pursuant to Chapter 145 of the Texas Local Government Code during the year in which such election is held, shall file a statement pursuant to that law with the city secretary. A candidate for city elective office in a special election to fill a vacancy shall file a financial disclosure statement with the city secretary as provided in the preceding sentence. The term candidate shall include a city official seeking reelection or election to another city elective office. Those candidates who have not filed by the filing date provided herein shall be advised of such omission by the committee by way of certified mail, return receipt requested, to the address provided by such candidate at the time of filing for office.*

(d) A city official who ceases to be a city official shall file a financial disclosure statement with the city secretary for the period existing between the previous statement filed by such official and the effective date of such official's termination of duty or employment.

(e) Any person who is appointed to a city elective office for an unexpired term and who is not otherwise subject to subsections (b) or (c) hereinabove shall file a financial disclosure statement with the city secretary for the 12 months preceding his appointment. The statement shall be filed not later than 15 days following such appointment. This subsection shall not apply to the mayor pro tem who fills a vacancy created in the office of mayor, or to the vice mayor pro tem who fills a vacancy created in the office of mayor or mayor pro tem, provided such person has previously complied with subsection (b) above.

(f) The city secretary shall retain financial disclosure statements for not less than five years from the date of filing. The city secretary shall also maintain a list of the persons who are required to file financial disclosure statements under this article and an index of the statements filed, setting forth names and dates of filing.

(g) A city official or candidate for a city elective office shall include the following information by separate listing of each category, as enumerated in parts (1) through (14) below, in his or her required financial disclosure statement:

(1) The name, address, the public position held or sought by the city official or candidate, the names of all members of his household, and all names under which any of them do business.

(2) All sources of occupational income in excess of $250.00 per source of the city official or candidate, and members of his household, including the amount, the name and business address of the employer or employing business and the nature of the occupation or business. If the city official, candidate, or any member of his household is self-employed, or if such person owns, either legally or beneficially, at least a 20 percent interest in the business, then he shall report the names and addresses of the clients or customers from whom he or his employer or employing business received at least ten percent of such employer's or employing business' gross income during the period covered by the statement. If such income is for the provision of medical, health-related, or legal services, the income shall be listed but the identity of the individual patients or clients need not be disclosed.

(3) All income received during the period covered by the statement by the city official, candidate, member of his household, or by a business in which the person has a 20 percent or greater interest, as a fee for future, unspecified services, including the amount and the name of the source of the fee.

(4) An itemized list of all income in excess of $250.00 per source received during the period covered by the statement by the city official, candidate, or member of his household from interest, dividends, royalties or rents, including the amount and the identification of the source.

(5) An itemized list of all income in excess of $250.00 per source received during the period covered by the statement by the city official, candidate, or member of his household as the beneficiary of a trust, including the amount and the identification of the source.

(6) The identification of any person, business, or organization from whom the city official, candidate, or member of his household has received, during the period covered by the statement, a gift of any money or other thing of value in excess of $250.00, or a series of gifts from the same source, the total value of which exceeds $250.00, including, by itemized listing, the source of the gift and its value. Excluded from this requirement are gifts received from persons related to the city official, candidate, or member of his household within the second degree of consanguinity or affinity, and campaign contributions which were received and reported as required by state statute. Also excluded from this requirement are meals and beverages received during the period covered by the statement by such person from some other person, business or organization.

(7) The name of any business in which the city official, candidate, or member of his household held or owned stock, legally or beneficially, at any time during the period covered by the statement, which stock is registered and publicly traded on a recognized exchange (or through the over-the-counter market).

(8) The name, street address, and nature of any business in which the city official, candidate, or member of his household held or owned stock, legally or beneficially, at any time during the period covered by the statement, which stock is either unregistered, closely held or not publicly traded on a recognized exchange (or through the over-the-counter market), and a statement as to whether the holdings constitute a ten percent or larger interest in such business.

(9) A description and the amount of all bonds, notes and other commercial paper held or owned, legally or beneficially, by the city official, candidate, or member of his household at any time during the period covered by the statement.

(10) All other income received during the period covered by the statement by the city official, candidate, or member of his household in excess of $250.00, including, by itemized listing, the amount and description of the source.

(11) All real property in which the city official, candidate, or member of his household has held, at any time during the period covered by the statement, any legal or beneficial interests, including, by itemized listing, a description of the property sufficient to locate the property, including the street address, if any, the present use of the property and the proportion, by percent, of the interest held in each tract by the city official, candidate, or member of his household.

(12) An itemized list of all real property that, at any time during the period covered by the statement, was owned, either directly or through a subsidiary, by a corporation, partnership, limited partnership, trust, or other business in which the city official, candidate, or member of his household is an officer or owns at least a ten percent interest, including a description of the property sufficient to locate the property, including the street address, if any, and the present use of the property.

(13) All contractual financial liabilities of the city official, candidate, or member of his household that are in excess of $1,000.00 and that existed at any time during the period covered by the statement, including the amount of the liability, the interest rate and the name of the obligee. Provided, however, that such liabilities shall not be construed to include normal household accounts such as those with retail business establishments or bank credit or debit cards. Additionally ex-

cluded from this requirement are campaign loans which are to be reported as required by state statute.

(14) All boards of directors of which the city official, candidate, or member of his household was a member and the executive positions which the person held during the period covered by the statement in any business, stating the name of each such business and the position held.

(h) Reports of cash value or interest by category.

(1) Where a monetary amount or value is required to be reported, the exact amount need not be stated. The statement may instead include the category of amount as follows:

a.	Category I:	Less than $1,000.00.
b.	Category II:	At least $1,000.00 but less than $10,000.00.
c.	Category III:	At least $10,000.00 but less than $50,000.00.
d.	Category IV:	At least $50,000.00 but less than $100,000.00.
e.	Category V:	At least $100,000.00 but less than $500,000.00.
f.	Category VI:	At least $500,000.00 but less than $1,000,000.00.
g.	Category VII:	$1,000,000.00 or more.

(2) Where the rate of interest is required to be reported, the exact rate of interest need not be stated. The statement may instead include the rate of interest by category as follows:

a.	Category I:	Not more than five percent.
b.	Category II:	Greater than five percent, but not more than ten percent.
c.	Category III:	Greater than ten percent, but not more than 15 percent.
d.	Category IV:	Greater than 15 percent, but not more than 20 percent.
e.	Category V:	More than 20 percent.

(Ord. No. 87-59, § 1, 1-14-87; Ord. No. 94-1006, § 1, 9-21-94; Ord. No. 94-1388, § 1, 12-21-94; Ord. No. 05-1060, § 1, 9-14-05; Ord. No. 05-1222, § 1, 11-9-05)

***Note**—It should be noted that § 3 of Ord. No. 05-1060 states that, notwithstanding the provisions of subsection (b) of Section 18-21 of the Code of Ordinances, Houston, Texas, as amended in Section 1 of this Ord. No. 05-1060, for city officials who are not required to file a financial disclosure statement pursuant to Chapter 145 of the Texas Local Government Code, the first annual financial disclosure statement filed subsequent to the passage of this Ordinance shall cover the period beginning October 1, 2004, and ending December 31, 2005.

Sec. 18-22. Public records.

All financial disclosure statements required by this article shall be sworn and shall constitute public records. The city secretary shall maintain such statements in a manner that is accessible to the public during regular business hours.
(Ord. No. 87-59, § 1, 1-14-87)

Sec. 18-23. Dates.

All financial disclosure statements required by this article shall be filed with the city secretary by 5:00 p.m. of the last day designated. When the last day falls on a Saturday or Sunday, or on an official city holiday as established by city council, the deadline for filing is extended to 5:00 p.m. of the next day which is not a Saturday or Sunday or official city holiday. Such statement shall be deemed to be timely filed if it is placed in the United States Post Office or in the hands of a common or contract carrier properly addressed to the city secretary within the time limit applicable to such statement. The postmark or receipt mark (if received by a common or contract carrier) will be prima facie evidence of the date that such statement was deposited with the post office or carrier.
(Ord. No. 87-59, § 1, 1-14-87)

Sec. 18-24. Legal opinions.

Any elected city official may request, and the city attorney shall thereupon promptly issue, a written opinion concerning the meaning or effect of any section, word, or requirement of this article as it affects such official. At the request of such official, the city attorney shall not disclose the requesting party's identity in the written re-

quested opinion or in any other manner, and shall render the opinion in the form of a response to an anonymous, hypothetical fact situation.
(Ord. No. 87-59, § 1, 1-14-87)

Sec. 18-25. Forms.

The city secretary shall promulgate forms on which statements required by this article may be made and shall make them available to all persons who are subject to the terms of this article.
(Ord. No. 87-59, § 1, 1-14-87)

Sec. 18-26. Penalty.

Any violation of this article, upon conviction, shall be fined not less than $100.00 nor more than $500.00 for each violation. Each day that any violation continues shall constitute a separate and distinct offense. Financial disclosure statements filed pursuant to Chapter 145 of the Local Government Code shall be subject to the provisions and penalties therein.*
(Ord. No. 87-59, § 1, 1-14-87; Ord. No. 92-1449, § 33, 11-4-92; Ord. No. 05-1060, § 2, 9-14-05)

***Note**—It should be noted that § 3 of Ord. No. 05-1060 states that, notwithstanding the provisions of subsection (b) of Section 18-21 of the Code of Ordinances, Houston, Texas, as amended in Section 1 of this Ord. No. 05-1060, for city officials who are not required to file a financial disclosure statement pursuant to Chapter 145 of the Texas Local Government Code, the first annual financial disclosure statement filed subsequent to the passage of this Ordinance shall cover the period beginning October 1, 2004, and ending December 31, 2005.

Cross reference—General penalty, § 1-6.

Sec. 18-27. Review by ethics committee.

When a financial disclosure statement required by this article is filed with the city secretary, the city secretary or her designated representative shall promptly notify the ethics committee, by and through its chairman, of such filing. Such statement shall be reviewed by the committee, and if a majority of the committee determines that the statement has been completed incorrectly or not in accordance with the provisions of this article or other applicable law, the city official or candidate who filed such statement shall be accordingly advised by the committee, by way of certified mail, return receipt requested, to the address provided by such city official or candidate at the time of his or her filing. Any allegations of violations of this article or other applicable law pertaining to financial disclosure shall be referred to the city attorney or other appropriate official by the committee.*
(Ord. No. 87-59, § 1, 1-14-87; Ord. No. 05-1060, § 2, 9-14-05)

***Note**—It should be noted that § 3 of Ord. No. 05-1060 states that, notwithstanding the provisions of subsection (b) of Section 18-21 of the Code of Ordinances, Houston, Texas, as amended in Section 1 of this Ord. No. 05-1060, for city officials who are not required to file a financial disclosure statement pursuant to Chapter 145 of the Texas Local Government Code, the first annual financial disclosure statement filed subsequent to the passage of this Ordinance shall cover the period beginning October 1, 2004, and ending December 31, 2005.

Secs. 18-28—18-30. Reserved.

ARTICLE IV. LIMITATIONS ON SOLICITATIONS AND CONTRIBUTIONS

DIVISION 1. GENERALLY

Sec. 18-31. Scope.

(a) The provisions of this article shall be applicable to all persons making contributions to and candidates for city elective office and to such additional matters as are addressed herein.

(b) Each candidate shall file with his application, consent and affidavit of candidate, a written statement acknowledging that he has received a copy of this chapter.
(Ord. No. 92-1245, § 5, 9-16-92)

Sec. 18-32. No contributions at City Hall.

It shall be unlawful for any person to deliver a contribution to a candidate in the City Hall or the Margaret Westerman City Hall Annex or building used by the planning commission. It is a defense to prosecution that the delivery was made by the United States Postal Service or other delivery service or common carrier.
(Ord. No. 92-1245, § 5, 9-16-92; Ord. No. 95-104, § 1, 1-25-95)

Sec. 18-33. Prohibited solicitations.

(a) It shall be unlawful for any candidate to accept or to offer or agree to accept any contribution that was solicited by a member of the planning commission or a member of the sports authority board, the port authority board, or the metropolitan transit authority board appointed by the city.

(b) It shall be unlawful for any member of the planning commission or a member of the sports authority board, the port authority board, or the metropolitan transit authority board appointed by the city to solicit contributions for any candidate.

(c) It shall be unlawful for a city employee, except a candidate, and unless during off-duty hours or on a duly-approved leave of absence, to solicit contributions for any candidate. Further, this section does not contradict state law as it applies to police and fire personnel.
(Ord. No. 92-1245, § 5, 9-16-92; Ord. No. 95-104, § 1, 1-25-95; Ord. No. 01-742, § 1, 8-8-01)

Sec. 18-34. Prohibition of contributions by litigants.

It shall be unlawful for any person who has any litigation pending in which the person is an adverse party to the city or who has an ownership interest of ten percent or more in any party that has any litigation pending in which it is an adverse party to the city to contribute or donate any funds to any candidate if the litigation seeks recovery of an unspecified amount or of an amount in excess of $50,000.00, exclusive of costs of court and attorneys' fees. Such restriction shall not be applicable to attorneys representing such person. It shall be the duty of any candidate to refuse to accept any contribution that may be offered by a person who is known to the candidate to have a litigation interest described in the foregoing provision. In the event that any candidate unknowingly accepts a contribution in contravention of the foregoing provision, then it shall be the duty of the candidate to return the contribution within ten days after the candidate becomes aware of the litigation.
(Ord. No. 92-1245, § 5, 9-16-92)

Sec. 18-35. Restricted period for solicitations and contributions.

(a) A candidate for city office at a city general election may neither solicit nor receive contributions except during a period commencing on the 1st day of February prior to the day of the election, and ending on the 4th day of March following the election date for the race that the

candidate has entered. In the event that the candidate should be in a run-off election, the final date to receive or solicit contributions shall be the 4th day of April following the election date.

(b) Candidates for city office at a special election to fill a vacancy for an unexpired term may neither solicit nor receive contributions except during a period commencing upon the date that the election for which the person is a candidate is called and ending 90 calendar days after the election date, including run-off elections if such candidate is on the ballot.
(Ord. No. 92-1245, § 5, 9-16-92; Ord. No. 94-1387, § 3, 12-21-94; Ord. No. 00-690, § 3, 7-26-00)

Sec. 18-36. Prohibited contractor contributions.

(a) It shall be unlawful either for any contractor to contribute or offer any contribution to a candidate or for any candidate to solicit or accept any contribution from a contractor during a contract award period. In the event that a candidate unknowingly accepts a contribution in contravention of the foregoing provision, then it shall be the duty of the candidate to return the contribution within ten days after he becomes aware of the violation.

(b) Each request for proposal or other document, notice or advertisement for a contract shall contain a notice regarding this section in a form approved by the city attorney. Each contractor shall be required to submit with any proposal or other submission for the award of any contract a complete list of the persons included in the term "contractor" as defined in this chapter in a form prescribed by the city attorney. It shall be the duty of each city department director to immediately forward each contractor list received to the city secretary who shall compile and maintain a log of persons who are required to be reported. In addition, the city secretary shall compile, maintain and post, by the 14th day after a city council meeting, a list of contracts awarded at such council meeting by city council, including on such list, the date of the initial posting of the request for council action relative to each specific contract, the name of the contractor, a short description of the contract and the date occurring 30 days after the award of the contract or the determination by city council or the mayor that the contract would not be awarded to a contractor. The city secretary shall be required to compile, maintain and post such a list only during such periods that candidates or city officials running for a city elected position may receive campaign contributions.
(Ord. No. 92-1245, § 5, 9-16-92; Ord. No. 00-690, § 4, 7-26-00; Ord. No. 05-91, § 1, 1-25-05)

Sec. 18-37. Limitation on repayment of personal loans.

(a) It shall be unlawful for any candidate to be reimbursed or to be repaid from campaign contributions for any personal loan in excess of $75,000.00 for the office of mayor, $15,000.00 for other citywide office (controller and at-large council offices) or $5,000.00 for a district council office. This provision shall not alter, remove or affect any reporting requirements under the laws of the State of Texas or this article.

(b) For the purposes of this section, the repayment limit shall apply to personal loans whether incurred before or after the adoption of this article.
(Ord. No. 92-1245, § 5, 9-16-92)

Sec. 18-38. Limitation on total contribution by individual and political action committee.

(a) No person shall make contributions to a candidate which in the aggregate exceeds $5,000.00 per election. No political action committee shall make contributions to a candidate which in the aggregate exceeds $10,000.00 per election.

(b) A candidate may utilize unexpended political contributions raised in connection with a non-city elective public office in an amount not to exceed the maximum contribution that the candidate may accept from a single donor under subsection (a), regardless of category, provided he files with the city secretary a statement of intent to do so at the time of the filing with the city secretary of his campaign treasurer designation, or if the filing of a campaign treasurer designation is not required, prior to the making of any expenditure in connection with his campaign for

city elective office. The provisions of this subsection shall also be applicable to a run-off election, provided that the statement of intent shall be filed within three days after the run-off election is called.

(c) A "*coordinated campaign expenditure,*" shall be considered a contribution subject to the limits set forth in subsection (a) and subject to the disclosure requirements for campaign contributions made to a candidate(s) for city office. As used in this subsection, the term "coordinated campaign expenditure" means a payment, other than a direct contribution, for an activity, service or product that contains express advocacy for the election or defeat of a clearly identified candidate(s) for city office and is made in cooperation, consultation, or concert, with or at the request or suggestion of, a candidate(s) for city office or a candidate's representative, agent, or employee.

Coordinated campaign expenditures shall include, but not be limited to the following:

1. Voter identification and/or get-out-the-vote activity on behalf of a specific candidate(s) for city office;
2. A public communication that refers to a clearly identified candidate(s) for city office and that promotes or supports a candidate(s) for that office, or attacks or opposes a candidate(s) for that office, or is suggestive of no plausible meaning other than an exhortation to vote for or against a specific candidate(s);

If an individual or organization is engaging in express advocacy for the election or defeat of a clearly identified candidate(s) for city office, the following shall not be considered a coordinated campaign expenditure:

1. Direct monetary contributions made to a candidate for city office;
2. In kind contributions made to a candidate for city office;
3. Payments by an individual or organization for the individual's or organization's overhead expenses including but not limited to rent, utilities, taxes, office supplies or salaries;
4. Volunteer (unpaid) activity(ies) on the part of the individual or the members of the organization.

(Ord. No. 92-1245, § 5, 9-16-92; Ord. No. 94-1387, § 4, 12-21-94; Ord. No. 01-799, § 1, 8-22-01; Ord. No. 05-73, § 1, 1-25-05)

Sec. 18-39. Retirement of debt by term limited candidates.

It is an affirmative defense to prosecution under sections 18-35 and 18-38 of this Code that:

(1) The contribution is solicited or received by a candidate who is a city elective office holder and who is not eligible to again file as a candidate for his same city elective office because of the provisions of section 6a of article II of the city charter; and

(2) The candidate has an existing debt for "political expenditures" that "political contributions" may be utilized to pay under the provisions of title 15 of the Texas Election Code, which debt, including the person or persons owed, the nature of each obligation owed and the specific amount of each obligation, is verified in writing by the candidate in a statement filed in the city secretary's office before the expiration of the 90-day period following the election at which the candidate was elected, as provided in section 18-35 of this Code; and

(3) The solicitation and receipt of contributions is expressly limited to the retirement of the debt identified in the statement filed under item (2) of this section and expenses directly relating to the solicitation for that purpose, with any funds in excess of the debt and related expenditures being refunded to the contributors or donated to a recognized tax-exempt charitable organization formed for educational, religious or scientific purposes if the contributors cannot be located or decline to accept the refund.

(Ord. No. 94-1387, § 5, 12-21-94)

Sec. 18-40. Internet posting of campaign finance reports.

(a) The city secretary shall forward copies of all reports filed in the office of the city secretary pursuant to Title 15, Texas Election Code, to the

director of finance and administration for posting on the city's Internet web site within two business days following the date of each report's receipt. Prior to any posting on the Internet by the city of any such report, information required by law to be removed from a report filed with the Texas Ethics Commission pursuant to Title 15, Texas Election Code, shall in like manner be removed therefrom; provided, that all information removed shall remain available for public inspection on the report as filed in the office of the city secretary.

(b) The access allowed by this section to political reports is in addition to the public's access to the information through other electronic or print distribution of the information.
(Ord. No. 01-597, § 2, 6-27-01)

DIVISION 2. PENALTY

Sec. 18-41. Violations.

All provisions of this article, except those contained in division 3, are penal, and violations shall be punishable as provided in section 1-6 of this Code.
(Ord. No. 92-1245, § 5, 9-16-92)

Secs. 18-42—18-50. Reserved.

DIVISION 3. CONTRACTUAL LIMITS

Sec. 18-51. Fair campaign principles; contract.

(a) In keeping with the spirit of open, honest, fair and equitable election campaigns as are sought to be promoted by this article, all candidates are requested and urged to limit their personal con-

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tributions, loans and expenditures in support of their own candidacy to $75,000.00 for mayor, $15,000.00 for other city-wide offices (controller and at-large council offices), and $5,000.00 for district council offices per election.

(b) Also in keeping with the spirit of open, honest, fair and equitable election campaigns as are sought to be promoted by this article, each candidate is requested and urged to limit his total expenditures, including the candidate's personal contributions, to $2,000,000.00 for the office of mayor, $300,000.00 for other city-wide offices (controller and at-large council offices), and $200,000.00 for district council offices in the general election, and to $1,000,000.00, $200,000.00 and $100,000.00 respectively, in any run-off election. The provisions of this subsection are intended to apply to expenditures made during the period established in section 18-35 of this Code, as applicable to the election for which the expenditures are made.

(c) At the time a candidate files for a place on the ballot with the city secretary, the city secretary shall cause to be provided to each candidate a proposed contract by which the candidate may agree to abide by all provisions of this article and to adhere to the voluntary spending limitations set forth in subsections (a) and (b) of this section, above. The contract shall be in a form approved by the committee and shall provide for the recovery of liquidated damages in an amount equal to three times the amount of any excessive or unlawful expenditure.

(d) A candidate who desires to accept a contract under this section must return his contract to the city secretary duly executed by the candidate on or before the second day following the last filing date for the election, provided that if the second day falls on a Saturday, Sunday, or city holiday, then by the next day that is not a Saturday, Sunday, or city holiday.

(e) The committee shall revoke the contract of any candidate who is determined to have knowingly or intentionally violated any substantive provision of this article. Prior to revocation the committee shall afford notice of the grounds and an opportunity for the candidate to be heard on the matter in accordance with principles of due process.

(f) Candidates who decline to execute contracts shall not be excused from penal compliance with the other divisions of this article.
(Ord. No. 92-1245, § 5, 9-16-92; Ord. No. 94-1387, § 6, 12-21-94; Ord. No. 00-690, § 5, 7-26-00)

Secs. 18-52—18-70. Reserved.

ARTICLE V. LOBBYING.

Sec. 18-71. Definitions.

The definitions established in section 18-2 of this Code shall not apply in this article unless expressly indicated below. In this article, the following words and terms shall have the meanings ascribed to them in this section, unless the context clearly indicates another meaning:

Administrative action means rulemaking, licensing, or any other matter that may be the subject of action by a city official, city department or other city agency, including the proposal, consideration, or approval of the matter. The term does not include the day-to-day application, administration or execution of city programs and policies such as permitting, platting, and design approval matters related to or in connection with a specific project or development.

Benefit shall have the meaning ascribed in section 18-2 of this Code.

Candidate means a person who knowingly and willingly takes affirmative action for the purpose of gaining election to city office or for the purpose of satisfying financial obligations incurred by the person in connection with the campaign for election. Examples of affirmative action include:

(1) The filing of a campaign treasurer appointment;

(2) The filing of an application for a place on a ballot;

(3) The filing of a declaration of write-in candidacy;

(4) The making of a public announcement of definite intent to run for city office in a particular election, regardless of whether the specific office is mentioned in the announcement;

(5) Before a public announcement of intent, the making of a statement of definite intent to run for city office and the soliciting of support by letter or other mode of communication; and

(6) The soliciting or acceptance of a campaign contribution or the making of a campaign expenditure.

City elective office has the meaning ascribed in section 18-2 of this Code.

Communicates directly with, or any variation of the phrase, means contact in person or by telephone, telegraph, letter, facsimile, electronic mail, or other electronic means of communication.

Compensation means money, service, facility, or other thing of value or benefit that is received or is to be received in return for or in connection with services rendered or to be rendered.

Expenditure means a payment, distribution, loan, advance, reimbursement, deposit, or gift of money or any thing of value, including a contract, promise, or agreement, whether or not legally enforceable, to make an expenditure.

Member of the executive branch means the mayor, city controller, mayor-elect, city controller-elect, candidate for mayor or controller, employee of the city, or member of the Archaeological and Historical Commission, Automotive Board, Board of Public Trusts, Boiler Code Review and Licensing Board, Building and Standards Commission, Civil Service Commission, Deferred Compensation Committee, Electrical Board, Ethics Committee as created by section 18-11 of this Code, Fire Board of Appeals, General Appeals Board, Helicopter Facilities Licensing and Appeals Board, Houston Parks Board, Mechanical Code Review Board, Planning Commission, or Plumbing Code Review Board.

Member of the legislative branch means a council member, council member-elect, or candidate for the office of council member.

Municipal legislation means:

(1) An ordinance, resolution, motion, amendment, nomination, or other matter pending before the city council; or

(2) Any matter that is or may be the subject of action by the city council or a council committee, including drafting, placing on the agenda, consideration, passage, defeat, approval, or countersignature of the matter.

Person means an individual, corporation, association, firm, partnership, committee, club, organization, or group of persons who are voluntarily acting in concert.

Registrant means a person required to register under section 18-72 of this Code.

Reimbursement shall have the same meaning as "compensation" defined above.
(Ord. No. 98-732, § 2, 8-26-98; Ord. No. 01-115, § 1, 1-24-01; Ord. No. 02-399, § 44, 5-15-02)

Sec. 18-72. Persons required to register.

(a) A person must register with the city secretary under this article if the person communicates directly with a member of the legislative or executive branch to influence municipal legislation or administrative action and:

(1) Makes or reasonably expects to make a total expenditure of $200.00 or more in a calendar quarter, not including the person's own travel, food, or lodging expenses or the person's own membership dues, on activities described in section 18-75 of this Code to communicate directly with one or more members of the legislative or executive branch to influence municipal legislation or administrative action; or

(2) Receives or may reasonably expect to receive from another person compensation or reimbursement, not including reimbursement for the person's own travel, food, or lodging expenses or the person's own membership dues, of $200.00 or more in a calendar quarter to communicate directly with one or more members of the

legislative or executive branch to influence municipal legislation or administrative action.

(b) A person otherwise required to register under subsection (a)(1) or (a)(2) who communicates directly with a member of the executive branch to influence administrative action is not required to register if:

(1) The person is performing an act that may be performed only by a licensed attorney; or

(2) The person is an attorney of record or is appearing pro se, and the person enters an appearance in the public record through pleadings or other written documents in a docketed case pending before a municipal department or agency; or

(3) The person is an attorney whose only direct communication is with a member of the city's legal department concerning a matter that is primarily legal in nature or otherwise related to a matter for which the city attorney is responsible; or

(4) The person is a representative of a city employee union whose only direct communication concerning administrative action is on behalf of an individual member of the union; or

(5) The person represents his company or business, or an organization of which he is a member, but less than five percent of his time on an annual basis is used to communicate directly with a member of the legislative or executive branch to influence municipal legislation or administrative action.

(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-73. Affirmative defenses for failure to register.

It shall be an affirmative defense to prosecution for failure to register under this article that:

(1) The person owns, publishes, or is employed by a newspaper, any other regularly published periodical, a radio station, a television station, a wire service, or any other bona fide news medium that in the ordinary course of business disseminates news, letters to the editor, editorial or other comments, or paid advertisements that directly or indirectly oppose or promote legislation or administrative action, provided the person does not engage in further or other activities that require registration under this article and has not been retained to represent another person in connection with influencing municipal legislation or administrative action;

(2) The person's only direct communication with a member of the legislative or executive branch to influence municipal legis-

lation or administrative action is an appearance before or testimony to one or more members of the legislative or executive branch in a hearing conducted by or on behalf of either the legislative or the executive branch or public expression at a meeting of city officials, provided that the hearing or meeting is open to the public under the Open Meetings Act, Chapter 551, Texas Government Code, and that the person receives no special or extra compensation for the appearance other than actual expenses incurred in attending the hearing;

(3) The person's only activity is to encourage or solicit members, employees, or stockholders of an entity by whom the person is retained or members of a union or association to which the person belongs to communicate directly with members of the legislative or executive branch to influence municipal legislation or administrative action;

(4) The person's only activity to influence municipal legislation or administrative action is to compensate or reimburse a registrant to act in the person's behalf to communicate directly with a member of the legislative or executive branch to influence municipal legislation or administrative action;

(5) The person's only activity to influence municipal legislation or administrative action is attendance at a meeting or entertainment event that is also attended by a member of the legislative or executive branch if the total cost of that meeting or entertainment event is paid by a business entity, union, or association; or

(6) The person's only compensation or reimbursement subject to section 18-72(a)(2) of this Code consists of reimbursement for any wages not earned due to attendance at a meeting or entertainment event, travel to and from the meeting or entertainment event, admission to the meeting or entertainment event, and any food and beverage consumed at the meeting or entertainment event, if the meeting or entertainment event is also attended by a member of the legislative or executive branch and if the total cost of the meeting or entertainment event is paid by a business entity, union, or association.

(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-74. Registration.

(a) A person required to register under this article who has not registered or whose registration has expired in connection with the communication shall file annually with the city secretary a registration form signed under oath not later than five working days after the date on which the person or person's employee makes the first direct communication with a member of the legislative or executive branch that requires the person's registration. If the registrant is not an individual, an authorized officer or agent of the registrant shall sign the form. Such registration shall be on a form prescribed by the city secretary and shall include:

(1) The registrant's full name, permanent street address and mailing address, if different;

(2) The name, address and nature of business of each entity or employer, if any, on whose behalf the registrant will communicate directly with one or more members of the legislative or executive branch to influence municipal legislation or administrative action;

(3) The subject or subjects on which the registrant will communicate directly with one or more members of the legislative or executive branch to influence municipal legislation or administrative action;

(4) If the registrant is acting as the agent or employee of an entity, the name, address, and nature of business of the entity; and

(5) Whether the registrant's compensation, if any, is totally or partially contingent on the passage or defeat of any municipal legislation or the outcome of any administrative action.

(b) At the time of registering, a registrant shall pay to the city and the city secretary shall collect an annual registration fee of $20.00. The fee shall be payable for each registration form. All registration fees shall be deposited into the general fund.

(c) A registration expires one year from the date of its filing.
(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-75. Activity reports.

(a) Each registrant shall file with the city secretary between the first and tenth day of April, July, October and January an activity report signed under oath concerning the registrant's activities during the previous calendar quarter. If the registrant is not an individual, an authorized officer or agent of the registrant shall sign the form. Such report shall be on a form prescribed by the city secretary and shall include:

(1) A complete and current statement of the information required to be supplied pursuant to section 18-74 of this Code;

(2) Certain operational expenditures other than benefits included under subsection (3) for direct communication with a member of the legislative or executive branch to influence municipal legislation or administrative action, provided that each expenditure of $500.00 or more shall be itemized by the date, name and status of the recipient that requires the reporting of the expenditure, including the official title of any city official or employee, amount and purpose, broken down into the following categories:

a. Compensation or reimbursement to persons other than employees for professional or consulting services; and

b. Other professional expenses related to direct communication, including but not limited to advertising, public relations and catering expenses.

(3) Each expenditure, gift or honorarium of $250.00 or more (excluding those made for the attendance of a member of the legislative or executive branch at political fund-raisers or charity events) made by the registrant or anyone acting on behalf of the registrant to benefit a member of the legislative or executive branch, itemized by date, beneficiary, amount and circumstances of the transaction and the aggregate of all such individual expenditures that are less than $250.00 but more than $25.00; and

(4) Each business entity in which the registrant knows or has reason to believe that a member of the legislative or executive branch is a proprietor, partner, director, officer, manager, employer or employee or has a substantial interest within the meaning of Chapter 171, Texas Local Government Code and with which the registrant has engaged in an exchange of money, goods, services or anything of value if the total of such exchanges is $250.00 or more in a calendar quarter, identified by its name and address, the member of the legislative or executive branch, and the date, amount and nature of each such exchange.

(b) Each registrant shall obtain and preserve all accounts, bills, receipts, books, papers and documents necessary to substantiate the registrations and activity reports required to be made pursuant to this article for two years from the date of filing of the registration or report containing such items or for the period otherwise required by law, whichever is longer.

(c) Each person about whose activities a registrant is required by subsection (a) of this section to report shall provide all information necessary for the report concerning such activities to the registrant at least five days before such registrant's report is due to be filed.

(d) No quarterly activity report shall be required if there is no activity during the preceding quarter and there are no other changes to items required to be reported.
(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-76. Other applicable policies.

Nothing in this article shall supersede or preempt the stricter provisions of any applicable policy of the mayor, the city controller, a city department director or a council member with respect to employees subject to their supervision and control.
(Ord. No. 98-732, § 2, 8-26-98; Ord. No. 05-91, § 1, 1-25-05)

Sec. 18-77. Termination notice.

(a) A person who ceases to engage in activities requiring registration under this article shall file a written, verified statement with the city secretary acknowledging the termination of activities. The notice of termination shall be filed within 30 days after the registrant ceases the activity that required registration. The notice is effective immediately.

(b) A person who files a notice of termination under this section must file the reports required by section 18-75 of this Code for any reporting period during which the person was registered.
(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-78. Maintenance of registrations and reports.

(a) All registrations and reports filed under this article are public records and shall be made available for public inspection during regular business hours.

(b) The city secretary shall:

(1) Provide appropriate forms, covering only the items required to be disclosed under this article, to be used for the registration and reporting of required information;

(2) Maintain registrations and reports in a separate, alphabetical file;

(3) Retain registrations and reports filed under this article for at least two years after the date of filing;

(4) Remove registrations and reports from the current files after two years from the date of filing and thereafter preserve or dispose of them in accordance with other applicable law; and

(5) Maintain a deputy available to receive registrations and reports and make the registrations and reports available to the public for inspection.

(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-79. Timeliness of filing registrations and reports.

A registration or report filed by certified first-class United States mail, return receipt requested, or by common or contract carrier is timely if:

(1) It is properly addressed with postage or handling charges prepaid;

(2) It bears a post office cancellation mark or a receipt mark from a common or contract carrier indicating a time within the applicable filing period or before the applicable filing deadline or if the person required to file furnishes satisfactory proof that it was deposited in the mail or with a common or contract carrier within that period or before that deadline; and

(3) It is in fact received by the city secretary.
(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-80. List of registrants and employers.

(a) Not later than February 1 of each year, the city secretary shall prepare a list of the names of registrants and shall indicate by each registrant's name each person employing the registrant, if any, or the name of the entity or person on whose behalf the registrant communicated.

(b) In addition to the list required under subsection (a), the city secretary shall prepare a list of the names of any person employing a registrant and shall indicate each registrant compensated by the person.

(c) The city secretary shall provide the lists prepared under this section and a monthly update of the lists to the mayor, each member of the city council, the city controller, all city department directors, and to any other member of the execu-

tive or legislative branches or person required to register or file under this article who requests one.
(Ord. No. 98-732, § 2, 8-26-98; Ord. No. 05-91, § 1, 1-25-05)

Sec. 18-81. Restrictions on expenditures.

(a) A person registered under section 18-74 of this Code or a person acting on the registrant's behalf and with the registrant's consent or ratification may not offer, confer, or agree to confer on a member of the legislative or executive branch:

(1) A loan, including the guarantee or endorsement of a loan; or

(2) A gift of cash or a negotiable instrument as described by section 3.104, Texas Business and Commerce Code.

(b) A member of the legislative or executive branch may not solicit, accept, or agree to accept from a person registered under section 18-74 of this Code or from a person acting on the registrant's behalf and with the registrant's consent or ratification an item listed in subsection (a).
(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-82. Affirmative defenses concerning restricted expenditures.

It shall be an affirmative defense to a prosecution under section 18-81 of this Code that the loan, gift or expenditure is:

(1) A loan in the due course of business from a corporation or other business entity that is legally engaged in the business of lending money and that has conducted that business continuously for more than one year before the loan is made;

(2) A loan or guarantee of a loan or a gift made or given by a person related within the second degree by affinity or consanguinity to the member of the legislative or executive branch; or

(3) A political contribution as defined by section 251.001 of the Texas Election Code.

(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-83. Required disclosure on legislative advertising.

(a) A person required to register under this article or a person acting on his behalf commits an offense if the person knowingly enters into a contract or other agreement to print, publish, or broadcast legislative advertising that does not indicate in the advertising:

(1) That it is legislative advertising;

(2) The full name of the individual who personally entered into the contract or agreement with the printer, publisher, or broadcaster and the name of the person, if any, that the individual represents; and

(3) In the case of advertising that is printed or published, the address of the individual who personally entered into the agreement with the printer or publisher and the address of the person, if any, that the individual represents.

(b) A professional advertising agent conducting business in this state on behalf of a person required to register under this article who seeks to procure the broadcasting, printing, or publication of legislative advertising on behalf of the sponsor of the advertising commits an offense if the agent enters into a contract or agreement for the broadcasting, printing, or publication of legislative advertising and does not, before the performance of the contract or agreement, give the sponsor written notice as provided by subsection (c).

(c) The notice required by subsection (b) must be substantially as follows:

"City of Houston Code of Ordinances Section 18-83 requires legislative advertising to disclose certain information. A person required to register under this article or a person acting on his behalf who knowingly enters into a contract or other agreement to print, publish, or broadcast legislative advertising that does not contain the information required under that section commits an offense that is a Class C misdemeanor."

(d) In this section, "legislative advertising" means a communication that supports, opposes, or proposes municipal legislation and that:

(1) In return for consideration, is published in a newspaper, magazine, or other periodical or is broadcast by radio, television, or on the internet; or

(2) Appears in a pamphlet, circular, flier, billboard or other sign, bumper sticker, button, or similar form of written or electronic means of communication.

(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-84. Criminal penalties.

(a) A person commits an offense if the person intentionally or knowingly violates any provision of this article.

(b) Violations shall be punishable as provided by section 1-6 of this Code.

(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-85. Failure to register or file all required forms.

(a) The city secretary shall maintain a record of all registrations, termination notices and reports filed under this article.

(b) Whenever the city attorney determines that a person has failed to register or file any required form, statement, or report as required by this article, the city attorney shall send a written statement of this finding to the person involved by certified mail to the last known mailing address.

(c) If the person fails to register or file the form, statement, or report as required by this article before the twenty-first day after the date on which the notice was deposited in the mail, the city attorney shall file a sworn complaint in the municipal court.

(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-86. Enforcement.

(a) Complaints of violations of this article shall be forwarded to the city attorney for review. If the city attorney determines that a violation may have occurred, he shall take appropriate action.

(b) A person may file a written, sworn statement alleging a violation of this article with the city attorney.

(c) Neither the ethics committee created by section 18-11 of this Code nor the office of the inspector general created pursuant to mayoral executive order shall have any authority to administer or enforce the provisions of this article.

(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-87. Regulations.

The city secretary may adopt regulations for the efficient administration of this article. Any such regulations shall be consistent with this article and applicable laws and shall be approved prior to implementation by the city attorney. A copy of the regulations shall be maintained for inspection in the city secretary's office and shall be available for purchase at the fees prescribed by law.

(Ord. No. 98-732, § 2, 8-26-98)

Sec. 18-88. Certain actions by former city officials prohibited.

(a) No former city official shall during the one year period following his departure date enter into a contractual relationship with the city or hold more than a 40 percent interest in any company that has a contractual relationship with the city. Nothing in this subsection shall prohibit a former city official from accepting employment with the city during the one year period following his departure date.

(b) No former city official shall during the one year period following his departure date communicate directly with a member of the legislative or executive branch to influence municipal legislation or administrative action. It is an exception to the application of this subsection that the former city official is primarily acting for his own benefit or making an uncompensated direct communication relating to matters of purely civic or public concern.

(c) For purposes of this section "*departure date*" means the last day of employment with the city or holding of city elective office. Where leave time is taken prior to termination, the departure date is the last day of the leave period.

(d) For purposes of this section and section 18-89 the term *"city official"* shall have the meaning ascribed in section 18-2 of this Code, except that persons whose services are donated, appointed members of city boards, committees and commissions who are compensated on a per-meeting basis, and persons who are compensated at the rate of $1.00 per year shall be excluded.

(e) If, within one year after commencement of a contract between an individual/company and the city, the company or individual who negotiated and entered into said contract with the city hires a city employee who had substantial and personal involvement with the negotiation of said contract, then said contract shall be subject to cancellation and/or the individual/company shall be barred from additional contracting with the city for a period of three years. For purposes of this subsection (e), the term *had substantial and personal involvement* means that a person, either as a person assigned to handle or participate in the handling of the matter or as a supervisor making decisions with respect to the matter, exercised discretion or decision-making in the handling of a matter that then was associated with a specific party or parties.
(Ord. No. 01-128, § 2, 1-31-01)

Sec. 18-89. Notice.

At least once each calendar year in conjunction with the notice to city employees required by section 18-16(d), the director of finance and administration shall cause to be distributed to each city official a notice regarding the provisions of section 18-88. Each new city official shall be furnished the notice at the time of hiring, appointment or election. However, the failure of any city official to receive a notice shall not excuse compliance with section 18-88.
(Ord. No. 01-128, § 2, 1-31-01)

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