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Certificate of Interested Parties Texas Ethics Commission (Form 1295)

Your contract is being recommended to the Matagorda County Commissioner's Court for approval as a future agenda item.

As you may, or may not be aware, the Texas Legislature passed HB 1295 in their last legislative session which added section 2252.908 to the Texas Government Code that now requires that a governmental entity receive a **Certificate of Interested Parties Texas Ethics Commission (Form 1295)** before entering into a contract (new, amended, extended or renewed) that

- 1) requires an action or vote by the Commissioner's Court before the contract may be signed, or
- 2) has a value of at least \$1 million

Accordingly, we are needing assistance in complying with the new Form 1295 requirements.

Note: Contract with Matagorda County require approval by the Commissioner's Court, therefore this form is required in order to approve and execute your contract.

As of January 1, 2016, Vendors are responsible for complying with this law.

Per the direction of the Texas Legislature, the Texas Ethics Commission made available on its website a new filing process that must be used to file Form 1295.

Information regarding how to use the filing process is available on the Texas Ethics Commission website at the following link:

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

A Vendor must:

- 1) use the online application to process the required information on Form 1295
- 2) print a copy of the form which will contain a unique certification number
- 3) an authorized agent of the Vendor must sign the printed copy of the form
- 4) and have the form **notarized**
- 5) the completed Form 1295 and certification of filing must be filed (scanning and emailing the form is sufficient) with Matagorda County before the signed contract is submitted for Commissioner's Court approval

If you haven't already done so, your first step in completing Form 1295 will be to create an account. For assistance on how to register and how to complete Form 1295, we would highly encourage you to watch the short "Logging In the First Time- Business User" and "How to Create a Certificate" videos that are posted on the website noted above. In addition there are several other links on the website posted above that may be helpful to you in understanding and completing Form 1295.

Matagorda County's guidance in completing Form 1295 is as follows (Please note this is not legal advice):

- 1) Who is the contract with – click "Other Governmental Entity"
- 2) Agency/Entity Name – Matagorda County, Texas
- 3) Contract ID Number – enter the Contract # specified at the top of this letter
- 4) Who is the Signature of officer administering oath (the entire bottom line of the form)
- the Notary

With regards to listing your entity's Interested Parties, the Ethics Commission defines the terms controlling interest and intermediary interest is as follows:

"Controlling interest" means:

- 1) an ownership interest or participating interest in a business entity by virtue of units, percentage, shares, stock, or otherwise that exceeds 10 percent;
- 2) membership on the board of directors or other governing body of a business entity of which the board or other governing body is composed of not more than 10 members; or
- 3) service as an officer of a business entity that has four or fewer officers, or service as one of the four officers most high compensated by a business entity that has more than four officers...

"Intermediary interest" means: a person who actively participates in the facilitation of the contract or negotiating the contract, including a broker, adviser, attorney, or representative of or agent for the business entity who:

- 1) receives compensation from the business entity for the person's participation;
- 2) communicates directly with the governmental entity or state agency on behalf of the business entity regarding the contract; and
- 3) is not an employee of the business entity

Your help is appreciated in completing and returning Form 1295 at your earliest convenience. Any delay in returning this form will result in delay of approval and/or award of the contract. If this form is not returned, Matagorda County will not proceed with the approval and/or award of the contract.