

**Certificate of Interested Parties – Texas Ethics Commission
(FORM 1295)**

Bid, CMR, CSP, RFP, or RFQ: [Advertisement Number]

Description of the service, product, or property being provided to the City of Friendswood: [Description].

Vendor Name: [Vendor Name].

Your Contract is being recommended to the City of Friendswood City Council for approval Monday, [INSERT MONTH] [INSERT DATE], [INSERT YEAR].

As you may or may not be aware, the 84TH Texas Legislature passed H.B. 1295 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 of City Council before the Contract may be signed. A new filing must be completed for each awarded Contract (new, amended, extended, or renewed) requiring City Council approval; or
2. Has a value of at least One Million Dollars (\$1,000,000.00).

Accordingly, we need your assistance in complying with the new FORM 1295 requirements at your earliest convenience. Any delay in returning this form will result in the delay of approval and/or award of the contract. **If this form is not returned, the City of Friendswood will not proceed with the approval and/or award of the Contract.**

Effective January 1, 2016, business entities are responsible for complying with this law.

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.

A Business Entity/Respondent 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 certificate number;
3. An authorized agent of the Respondent must sign the printed copy of the form;
4. Have the form notarized;
5. The completed FORM 1295 and certificate of filing must be files (scanning and emailing the form is sufficient) with the City of Friendswood prior to the signed Contract being submitted for City Council approval.

00280-1

If you have not already done so, your first step in completing FORM 1295 will be to create an account. For assistance on how to register and 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 Texas Ethics Commission website. In addition, there are several other links on the website that might be helpful to you understanding and completing FORM 1295.

The City of Friendswood’s guidance in completing FORM 1295 is as follows (Please note that this is **NOT** legal advice):

1. Who is the contract with – click “Other Governmental Entity”.
2. Agency/Entity Name – City of Friendswood.
3. Contract ID Number – Enter the Contract Number at the top of this page.
4. Signature, Printed Name, and Title of Officer administering the Oath – Notary.

With regards to listing your business entity’s Interested Parties, the Texas Ethics Commission defines the terms controlling interest and intermediary interest 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 ten percent (10%);
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 ten (10) members; or
3. Serves as an officer of a business entity that has four (4) or fewer officers, or serves as one (1) of the four (4) officers most highly compensated by a business entity that has more than four (4) officers.

“Intermediary Interest” means a person who actively participates in facilitating a contract or negotiating terms of a contract with a governmental entity or state agency, including a broker, intermediary, advisor, attorney, or representative of or agent for the business entity who meets all of the following conditions:

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.

The location of FORM 1295 on the Texas Ethics Commission Website can be found at the following link:

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

END OF DOCUMENT