



TEXAS ETHICS COMMISSION



ETHICS ADVISORY OPINION NO. 142

April 28, 1993

Whether members of the board of directors of the Texas Certified Self-Insurer Guaranty Association are required to file annual financial disclosure statements under V.T.C.S. article 6252-9b, which requires every "state officer" to file an annual financial disclosure statement. (AOR-170)

The Texas Ethics Commission has been asked whether members of the board of directors of the Texas Certified Self-Insurer Guaranty Association (the association) are required to file annual financial disclosure statements under V.T.C.S. article 6252-9b, which requires every "state officer" to file an annual financial disclosure statement.

The association is made up of employers who are certified self-insurers under state workers' compensation requirements for self-insurance. V.T.C.S. arts. 8308-3.51 -- 8308-3.70 (chapter D of article 2 of the 1989 Texas Workers' Compensation Act, regarding self-insurance regulation). Membership in the association is mandated by law for these employers. *Id.* art. 8308-3.70(a). The association elects two of its members to the board of directors. Two members of the Texas Workers' Compensation Commission also sit on the board, one as a representative of wage earners and the other as a representative of employers. The executive director of the Texas Workers' Compensation Commission and the public counsel of the Office of Public Insurance Counsel serve as board members. One nonvoting member, the director of the Texas Workers' Compensation Commission's division of self-insurance regulation, also sits on the board of directors. *Id.*

Most of the members of the board of directors are required to file annual financial statements because they hold other positions. The executive director of the Texas Workers' Compensation Commission is required to file a financial statement because he is the executive director of a state agency. V.T.C.S. art. 6252-9b, §§ 2(1), 3(a). The two members of the Texas Workers' Compensation Commission who serve as board members are required to file financial statements because of their membership on the Texas Workers' Compensation Commission. *Id.* §§ 2(1), (5)(A)(xi), 3(a). The public counsel of the Office of Public Insurance Counsel also serves as the executive director of that agency and is required to file a financial disclosure statement by virtue of that position. Ins. Code art. 1.35A, § (b). A state officer is required to file only one statement covering the preceding calendar year. V.T.C.S. art. 6252-9b, § 3(g). Therefore, for these four members, service on the Texas Certified Self-Insurer Guaranty Association imposes no additional filing requirements.

As to the other members, the director of the commission's division of self-insurance regulation has no voting authority and is therefore not required to file a financial statement as a state officer. [Ethics Advisory Opinion No. 137](#) (1993) (ex officio, nonvoting member is not a "state officer" for purposes of article 6252-9b). The remaining members are the two members of the board elected by the members of the association. These members fit none of the definitions of "state officer" in article 6252-9b and are therefore not required to file annual financial statements under article 6252-9b. *See* V.T.C.S. art. 6252-9b, § 3(a).¹

SUMMARY

The members of the board of directors of the Texas Certified Self-Insurer Guaranty Association who file financial disclosure statements because of other positions are not required to file an additional statement because of their membership on the board of the association. The other board members are not required to file statements.

¹ Under section 3 of article 6252-9b, every "state officer" is required to file a financial statement. Although the definition of "state officer" includes an "elected officer," the definition of "elected officer" does not include the board members elected by association members. See V.T.C.S. art. 6252-9b, § 2(1). Section 2(2) defines "elected officer" as: (A) a member of the legislature; (B) an executive or judicial officer elected in a statewide election; (C) a judge of a court of civil appeals, a district court, a court of domestic relations, or a juvenile court created by special law; (D) a member of the State Board of Education; or (E) a person appointed to fill a vacancy or newly created office who, if elected rather than appointed, would be an elected officer as defined in paragraph (A), (B), (C), or (D) of this subdivision.