



TEXAS ETHICS COMMISSION



ETHICS ADVISORY OPINION NO. 632

December 10, 2025

ISSUE

Whether the TEC has authority to assess a civil penalty for a late personal financial statement (“PFS”) filed by a director of the Harris County-Houston Sports Authority (“HCHSA” or “the board”). (AOR-735)

SUMMARY

An HCHSA director must file a PFS with the Texas Ethics Commission and is subject to a civil penalty imposed by the TEC for an untimely filed PFS as if the director were a state officer.

FACTS

The requestor was appointed to the board of directors of HCHSA in 2024.

Under the Local Government Code, a director of HCHSA is required to file a PFS with the TEC and HCHSA. Tex. Local Gov’t Code § 335.1085(a).

The requestor was notified by HCHSA staff of the filing requirement on April 30, 2025, and did not file a PFS with the TEC.

The TEC sent the requestor notice of a late report, informing the requestor of the \$500 penalty for failure to file. The requestor contested the civil penalty and submitted this advisory opinion request to resolve the question of whether an HCHSA director, although required to file a PFS with the TEC, is nevertheless not subject to a civil penalty for failing to file it.

ANALYSIS

The TEC is required to determine if an individual required to file a PFS “under” Subchapter B of Chapter 572 of the Texas Government Code failed to file the PFS on time, and if so, assess a \$500 civil penalty. Tex. Gov’t Code § 572.033 (“The commission shall determine from any available evidence whether a statement *required to be filed under this subchapter* is late.”) (emphasis added).

Directors of HCHSA are required to file a PFS with *both* the board and the TEC. Tex. Local Gov’t Code § 335.1085(a). The director’s requirement to file a PFS comes from the Local Government Code, rather than Subchapter B of Chapter 572. *Id.* The TEC’s sanctioning authority is limited to a PFS filed under Subchapter B. Tex. Gov’t Code § 572.033. However, the Local Government Code

applies the whole of Subchapter B—which includes a TEC-imposed sanction—to an HCHSA director “as if the director were a state officer.” *Id.*¹

The text of the Local Government Code plainly states that the whole of Subchapter B applies to an HCHSA director. Since all of Subchapter B applies to a HCHSA director, and Subchapter B requires the TEC to assess a civil penalty if a PFS is filed late, it follows that an HCHSA director is assessed a civil penalty if the director files a PFS with the TEC late.

The HCHSA is not the only political subdivision to which the Legislature imposed PFS duties outside of Subchapter B. *See, e.g.*, Tex. Transportation Code § 370.2521 (directors of regional mobility authorities); Tex. Spec. Dist. Local Laws Code § 7201.056 (Agua Special Utility District); Tex. Ins. Code § 463.057 (Texas Life and Health Insurance Guaranty Association). In some, but not all occasions, the Legislature applies all of Subchapter B to the filer as if the filer were a state officer.

For instance, commissioners of the Port of Corpus Christi Authority of Nueces Country are required to file a PFS with the TEC but are not subject to late filing civil penalties assessed by the TEC. Rather than applying all of Subchapter B to the port commissioners, the Legislature imposed the following obligation: “. . . a port commissioner shall file with the Texas Ethics Commission a financial statement that complies with Sections 572.022-572.024, Government Code.” Tex. Spec. Dist. Local Laws Code § 5016.0053.

The port commissioners are not subject to the late filing civil penalty found in Section 572.033 because the Legislature chose not to apply that section to them by specific reference or by applying all of Subchapter B. Consequently, the port commissions are not issued a civil penalty for late reports by the TEC. But the commissioners also miss out on some of the benefits afforded to reports filed under Subchapter B, such as having certain personal information redacted before public inspection and the ability to receive an extension to file. 2021 Tex. Ag. Ltr. Rul. LEXIS 19520.

The same is true of Texas Life and Health Insurance Guaranty Association board members who must “file with the Texas Ethics Commission a financial statement as provided by Subchapter B, Chapter 572, Government Code.” Tex. Ins. Code § 463.057. The Insurance Code does not apply all Subchapter B to the board members as if they were a state officer. Instead, the law simply requires

¹ The statute reads in whole:

Sec. 335.1085. FILING OF FINANCIAL STATEMENT BY DIRECTOR.

(a) A director shall file the financial statement required of state officers under Subchapter B, Chapter 572, Government Code, with:

(1) the board; and
(2) the Texas Ethics Commission.

(b) Subchapter B, Chapter 572, Government Code:

(1) applies to a director as if the director were a state officer; and
(2) governs the contents, timeliness of filing, and public inspection of a statement filed under this section.

(c) A director commits an offense if the director fails to file the statement required by this section. An offense under this section is a Class B misdemeanor.

that they *file* as provided by Subchapter B. Such a statute does not import the sanctioning authority of Section 572.033.

Unlike the port commissioners or Life Insurance Guaranty Association members, the Legislature applied all of Subchapter B to HCHSA members as if they were state officers. State officers are subject to a late filing penalty under Subchapter B. As such, a HCHSA member is required to file a PFS with the TEC and is subject a civil penalty to late filing “as if the director were a state officer.”²

² Regardless of the TEC’s ability to assess a fine for failure to file, the requestor is still required to file a PFS with the TEC by April 30 of each year. Tex. Local Gov’t Code § 335.1085(a)(2). As the requestor was appointed in 2024, he was required to file a PFS with the TEC on April 30, 2025. In addition, as the requestor did not resign until after January 1, 2025, he is also required to file a PFS with the TEC on April 30, 2026. *See* 1 Tex. Admin. Code § 40.3. The civil penalty “is cumulative of any other available sanction for a late filing of a sworn statement.” Tex. Gov’t Code § 572.033(c). Failure to file these PFSs is a Class B misdemeanor. Local Gov’t Code § 335.1085(c).