

## **§ 30.41 DEFINITIONS.**

**Proposing to delete the definition of “Family Member” as that term is not used anywhere in the ordinance and also creates confusion by including those related in the second degree by consanguinity. The provisions of the ordinance only deal with first degree by consanguinity**

### **SUBSTANTIAL INTEREST.**

(1) A person has a substantial interest in a business entity if:

- (a) The interest is ownership of 10% or more of the voting stock or shares of the business entity or ownership of \$15,000 or more of the fair market value of the business entity;
- (b) Funds received by the person from the business entity exceed 10% of the person's gross income for the previous year;
- (c) The person holds a position of member of the board of directors or other governing body of the business entity;
- (d) The person serves as an elected officer of the business entity;
- (e) The person is an employee of the business entity;
- (f) The person is a creditor, debtor or guarantor of the business entity in the amount of \$5,000 or more; or
- (g) Property of the person has been pledged to a business entity or is subject to a lien in favor of the business entity in the amount of \$5,000 or more.

(2) A person does not have a substantial interest in a business entity if:

- (a) The person holds a position as a member of the board of directors or other governing board of a business entity;
- (b) The person has been designated by the City Council to serve on such board;

(c) The person receives no remuneration, either directly or indirectly, for his service on such board; and

(d) The primary nature of the business entity is either charitable, nonprofit or governmental.

(3) A person has a substantial interest in real property if the interest is an equitable or legal interest with a fair market value of \$2,500 or more (see Tex. Loc. Gov't Code, § 171.002).

(4) A person has a substantial interest under this subchapter if the person's spouse or a person related to the person in the first degree by consanguinity or affinity has a substantial interest under the Code of Ethics and Conduct (see Tex. Loc. Gov't Code, § 171.002). A person is related in the first degree by consanguinity to his or her father, mother, brother, sister, son or daughter. A person is related in the first degree by affinity to his or her father-in-law, mother-in-law, brother's spouse, sister's spouse, step-son, step-daughter, son-in-law or daughter-in-law.

#### **§ 30.45 DISCLOSURE OF INTEREST.**

(A) Every officer or advisory member must file a conflicts disclosure statement as required by Chapter 176 of the Texas Local Government Code.