

By: Davis of Harris

H.B. No. 24

Substitute the following for H.B. No. 24:

By: Cook

C.S.H.B. No. 24

A BILL TO BE ENTITLED

AN ACT

relating to political contributions and political expenditures;  
amending provisions subject to a civil penalty; creating criminal  
offenses.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 251.005(d), Election Code, is amended to  
read as follows:

(d) An out-of-state political committee that does not file a  
campaign treasurer appointment shall comply with Sections  
~~[Section]~~ 254.1581, 254.161, and 254.261.

SECTION 2. Section 253.031, Election Code, is amended by  
amending Subsection (b) and adding Subsection (b-1) to read as  
follows:

(b) A general-purpose ~~[political]~~ committee may not  
knowingly accept political contributions totaling more than \$3,000  
~~[\$500]~~ or make or authorize political expenditures totaling more  
than \$3,000 in a calendar year ~~[\$500]~~ at a time when a campaign  
treasurer appointment for the committee is not in effect.

(b-1) A specific-purpose committee may not knowingly accept  
political contributions totaling more than \$1,000 or make or  
authorize political expenditures totaling more than \$1,000 in a  
calendar year at a time when a campaign treasurer appointment for  
the committee is not in effect.

SECTION 3. The heading to Section 253.037, Election Code,

is amended to read as follows:

Sec. 253.037. RESTRICTION [~~RESTRICTIONS~~] ON CONTRIBUTION  
[~~OR EXPENDITURE~~] BY GENERAL-PURPOSE COMMITTEE.

SECTION 4. Section 253.040, Election Code, is amended to  
read as follows:

Sec. 253.040. SEPARATE ACCOUNTS FOR CANDIDATES AND  
OFFICEHOLDERS. (a) Except as provided by Subsection (b) or  
Section 253.0351(c), each candidate or officeholder shall deposit  
all of [~~keep~~] the person's campaign and officeholder contributions  
in one or more accounts that are separate from any other account  
maintained by the person, not later than the fifth day after the  
date the candidate or officeholder accepts the contribution.

(b) A candidate or officeholder who does not accept  
political contributions that in the aggregate exceed \$3,000 in a  
calendar year is not required to deposit political contributions in  
a separate account. Once the \$3,000 threshold is exceeded, the  
candidate or officeholder is required to comply with Subsection (a)  
until all of the political contributions are expended.

(c) A person who violates this section commits an offense.  
An offense under this section is a Class B misdemeanor.

SECTION 5. Subchapter B, Chapter 253, Election Code, is  
amended by adding Section 253.0401 to read as follows:

Sec. 253.0401. SEPARATE ACCOUNTS FOR POLITICAL COMMITTEES.  
(a) Except as provided by Subsection (b), a political committee  
shall deposit all of the committee's political contributions in one  
or more accounts that are separate from any other account  
maintained by the political committee, not later than the fifth day

1 after the date the committee accepts the contribution.

2 (b) A political committee that does not accept political  
3 contributions that in the aggregate exceed \$3,000 in a calendar  
4 year is not required to deposit political contributions in a  
5 separate account. Once the \$3,000 threshold is exceeded, the  
6 committee is required to comply with Subsection (a) until all of the  
7 political contributions are expended.

8 (c) A person who violates this section commits an offense.  
9 An offense under this section is a Class B misdemeanor.

10 SECTION 6. Section 254.001(d), Election Code, is amended to  
11 read as follows:

12 (d) A person required to maintain a record under this  
13 section shall preserve the record for at least four [~~two~~] years  
14 beginning on the filing deadline for the report containing the  
15 information in the record.

16 SECTION 7. Section 254.031(a), Election Code, is amended to  
17 read as follows:

18 (a) Except as otherwise provided by this chapter, each  
19 report filed under this chapter must include:

20 (1) the amount of political contributions from each  
21 person that in the aggregate exceed \$100 [~~\$50~~] and that are accepted  
22 during the reporting period by the person or committee required to  
23 file a report under this chapter, the full name and address of the  
24 person making the contributions, and the dates of the  
25 contributions;

26 (2) the amount of loans that are made during the  
27 reporting period for campaign or officeholder purposes to the

1 person or committee required to file the report and that in the  
2 aggregate exceed \$100 [~~\$50~~], the dates the loans are made, the  
3 interest rate, the maturity date, the type of collateral for the  
4 loans, if any, the full name and address of the person or financial  
5 institution making the loans, the full name and address, principal  
6 occupation, and name of the employer of each guarantor of the loans,  
7 the amount of the loans guaranteed by each guarantor, and the  
8 aggregate principal amount of all outstanding loans as of the last  
9 day of the reporting period;

10 (3) the amount of political expenditures that in the  
11 aggregate exceed \$100 and that are made during the reporting  
12 period, the full name and address of the persons to whom the  
13 expenditures are made, and the dates and purposes of the  
14 expenditures;

15 (4) the amount of each payment made during the  
16 reporting period from a political contribution if the payment is  
17 not a political expenditure, the full name and address of the person  
18 to whom the payment is made, and the date and purpose of the  
19 payment;

20 (5) the total amount or a specific listing of the  
21 political contributions of \$100 [~~\$50~~] or less accepted and the  
22 total amount or a specific listing of the political expenditures of  
23 \$100 or less made during the reporting period;

24 (6) the total amount of all political contributions  
25 accepted and the total amount of all political expenditures made  
26 during the reporting period;

27 (7) the name of each candidate or officeholder who

1 benefits from a direct campaign expenditure made during the  
2 reporting period by the person or committee required to file the  
3 report, and the office sought or held, excluding a direct campaign  
4 expenditure that is made by the principal political committee of a  
5 political party on behalf of a slate of two or more nominees of that  
6 party;

7           (8) as of the last day of a reporting period for which  
8 the person is required to file a report, the total amount of  
9 political contributions accepted, including interest or other  
10 income on those contributions, maintained in one or more accounts  
11 in which political contributions are deposited as of the last day of  
12 the reporting period;

13           (9) any credit, interest, rebate, refund,  
14 reimbursement, or return of a deposit fee resulting from the use of  
15 a political contribution or an asset purchased with a political  
16 contribution that is received during the reporting period and the  
17 amount of which exceeds \$100;

18           (10) any proceeds of the sale of an asset purchased  
19 with a political contribution that is received during the reporting  
20 period and the amount of which exceeds \$100;

21           (11) any investment purchased with a political  
22 contribution that is received during the reporting period and the  
23 amount of which exceeds \$100;

24           (12) any other gain from a political contribution that  
25 is received during the reporting period and the amount of which  
26 exceeds \$100; and

27           (13) the full name and address of each person from whom

1 an amount described by Subdivision (9), (10), (11), or (12) is  
2 received, the date the amount is received, and the purpose for which  
3 the amount is received.

4 SECTION 8. Section 254.0311(b), Election Code, is amended  
5 to read as follows:

6 (b) A report filed under this section must include:

7 (1) the amount of contributions from each person,  
8 other than a caucus member, that in the aggregate exceed \$100 [~~\$50~~]  
9 and that are accepted during the reporting period by the  
10 legislative caucus, the full name and address of the person making  
11 the contributions, and the dates of the contributions;

12 (2) the amount of loans that are made during the  
13 reporting period to the legislative caucus and that in the  
14 aggregate exceed \$100 [~~\$50~~], the dates the loans are made, the  
15 interest rate, the maturity date, the type of collateral for the  
16 loans, if any, the full name and address of the person or financial  
17 institution making the loans, the full name and address, principal  
18 occupation, and name of the employer of each guarantor of the loans,  
19 the amount of the loans guaranteed by each guarantor, and the  
20 aggregate principal amount of all outstanding loans as of the last  
21 day of the reporting period;

22 (3) the amount of expenditures that in the aggregate  
23 exceed \$100 [~~\$50~~] and that are made during the reporting period, the  
24 full name and address of the persons to whom the expenditures are  
25 made, and the dates and purposes of the expenditures;

26 (4) the total amount or a specific listing of  
27 contributions of \$100 [~~\$50~~] or less accepted from persons other

1 than caucus members and the total amount or a specific listing of  
2 expenditures of \$100 [~~\$50~~] or less made during the reporting  
3 period; and

4 (5) the total amount of all contributions accepted,  
5 including total contributions from caucus members, and the total  
6 amount of all expenditures made during the reporting period.

7 SECTION 9. Section 254.036, Election Code, is amended by  
8 adding Subsections (f-1) and (h-1) to read as follows:

9 (f-1) A report filed under this chapter with an authority  
10 other than the commission may be filed electronically by using  
11 computer software developed by the commission, if the software has  
12 the capability of being used for filing reports with other entities  
13 and the authority with whom the report is required to be filed has  
14 adopted rules and procedures to provide for the filing of the report  
15 using the software.

16 (h-1) An authority other than the commission with whom a  
17 report is required to be filed under this chapter may not require  
18 that a report filed by means of electronic transfer, including by  
19 the use of computer software developed by the commission, be  
20 accompanied by a notarized affidavit containing the statement in  
21 Subsection (h), provided that the report is filed in accordance  
22 with the rules and procedures adopted by the authority.

23 SECTION 10. Section 254.0611(a), Election Code, is amended  
24 to read as follows:

25 (a) In addition to the contents required by Sections 254.031  
26 and 254.061, each report by a candidate for a judicial office  
27 covered by Subchapter F, Chapter 253, must include:

1           (1) the total amount of political contributions,  
2 including interest or other income, maintained in one or more  
3 accounts in which political contributions are deposited as of the  
4 last day of the reporting period;

5           (2) for each individual from whom the person filing  
6 the report has accepted political contributions that in the  
7 aggregate exceed \$100 [~~\$50~~] and that are accepted during the  
8 reporting period:

9           (A) the principal occupation and job title of the  
10 individual and the full name of the employer of the individual or of  
11 the law firm of which the individual or the individual's spouse is a  
12 member, if any; or

13           (B) if the individual is a child, the full name of  
14 the law firm of which either of the individual's parents is a  
15 member, if any;

16           (3) a specific listing of each asset valued at \$500 or  
17 more that was purchased with political contributions and on hand as  
18 of the last day of the reporting period;

19           (4) for each political contribution accepted by the  
20 person filing the report but not received as of the last day of the  
21 reporting period:

22           (A) the full name and address of the person  
23 making the contribution;

24           (B) the amount of the contribution; and

25           (C) the date of the contribution; and

26           (5) for each outstanding loan to the person filing the  
27 report as of the last day of the reporting period:



1 (A) the full name and address of the person or  
2 financial institution making the loan; and

3 (B) the full name and address of each guarantor  
4 of the loan other than the candidate.

5 SECTION 11. Section 254.151, Election Code, is amended to  
6 read as follows:

7 Sec. 254.151. ADDITIONAL CONTENTS OF REPORTS. In addition  
8 to the contents required by Section 254.031, each report by a  
9 campaign treasurer of a general-purpose committee must include:

10 (1) the committee's full name and address;

11 (2) the full name, residence or business street  
12 address, and telephone number of the committee's campaign  
13 treasurer;

14 (3) the identity and date of the election for which the  
15 report is filed, if applicable;

16 (4) the name of each identified candidate or measure  
17 or classification by party of candidates supported or opposed by  
18 the committee, indicating whether the committee supports or opposes  
19 each listed candidate, measure, or classification by party of  
20 candidates;

21 (5) the name of each identified officeholder or  
22 classification by party of officeholders assisted by the committee;

23 (6) the principal occupation of each person from whom  
24 political contributions that in the aggregate exceed \$100 [~~\$50~~] are  
25 accepted during the reporting period;

26 (7) the amount of each political expenditure in the  
27 form of a political contribution made to a candidate, officeholder,

1 or another political committee that is returned to the committee  
2 during the reporting period, the name of the person to whom the  
3 expenditure was originally made, and the date it is returned;

4 (8) on a separate page or pages of the report, the  
5 identification of any contribution from a corporation or labor  
6 organization made and accepted under Subchapter D, Chapter 253; and

7 (9) on a separate page or pages of the report, the  
8 identification of the name of the donor, the amount, and the date of  
9 any expenditure made by a corporation or labor organization to:

10 (A) establish or administer the political  
11 committee; or

12 (B) finance the solicitation of political  
13 contributions to the committee under Section 253.100.

14 SECTION 12. Section 254.161, Election Code, is amended to  
15 read as follows:

16 Sec. 254.161. NOTICE TO CANDIDATE AND OFFICEHOLDER OF  
17 CONTRIBUTIONS AND EXPENDITURES. If a general-purpose committee  
18 other than the principal political committee of a political party  
19 or a political committee established by a political party's county  
20 executive committee accepts political contributions or makes  
21 political expenditures for a candidate or officeholder, notice of  
22 that fact shall be given to the affected candidate or officeholder  
23 as provided by Section 254.128 for a specific-purpose committee.  
24 An out-of-state political committee that is required to comply with  
25 this section shall designate an officer of the committee to provide  
26 the notice.

27 SECTION 13. Section 254.261, Election Code, is amended by

1 adding Subsection (e) to read as follows:

2 (e) This section applies to an out-of-state political  
3 committee that does not file a campaign treasurer appointment.

4 SECTION 14. Sections 253.037(a) and (c), Election Code, are  
5 repealed.

6 SECTION 15. The amendment by this Act of Section  
7 254.001(d), Election Code, applies to any record that contains  
8 information necessary for filing a report under Chapter 254,  
9 Election Code, for which the filing deadline was on or after  
10 September 1, 2013.

11 SECTION 16. Sections 254.031(a), 254.0311(b), 254.0611(a),  
12 and 254.151, Election Code, as amended by this Act, apply only to a  
13 report under Chapter 254, Election Code, that is required to be  
14 filed on or after the effective date of this Act. A report under  
15 Chapter 254, Election Code, that is required to be filed before the  
16 effective date of this Act is governed by the law in effect on the  
17 date the report is required to be filed, and the former law is  
18 continued in effect for that purpose.

19 SECTION 17. This Act takes effect September 1, 2015.