

1-1 By: Middleton, et al. S.B. No. 175
 1-2 (In the Senate - Filed November 14, 2022; February 15, 2023,
 1-3 read first time and referred to Committee on State Affairs;
 1-4 March 21, 2023, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 8, Nays 3; March 21, 2023,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13		X		
1-14		X		
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19		X		

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 175 By: Middleton

1-21 A BILL TO BE ENTITLED
 1-22 AN ACT

1-23 relating to the use by a political subdivision of public funds for
 1-24 lobbying and certain other activities.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Chapter 556, Government Code, is amended by
 1-27 adding Section 556.0056 to read as follows:

1-28 Sec. 556.0056. RESTRICTION ON USE OF PUBLIC FUNDS BY
 1-29 POLITICAL SUBDIVISIONS FOR LOBBYING ACTIVITIES. (a) A political
 1-30 subdivision may not spend public funds:

1-31 (1) to hire an individual required to register as a
 1-32 lobbyist under Chapter 305 for the purpose of lobbying a member of
 1-33 the legislature; or

1-34 (2) to pay a nonprofit state association or
 1-35 organization that:

1-36 (A) primarily represents political subdivisions;
 1-37 and

1-38 (B) hires or contracts with an individual
 1-39 required to register as a lobbyist under Chapter 305.

1-40 (b) If a political subdivision engages in an activity
 1-41 prohibited by Subsection (a), a taxpayer or resident of the
 1-42 political subdivision is entitled to appropriate injunctive relief
 1-43 to prevent further activity prohibited by that subsection and
 1-44 further payment of public funds related to that activity.

1-45 (c) A taxpayer or resident who prevails in an action under
 1-46 Subsection (b) is entitled to recover from the political
 1-47 subdivision the taxpayer's or resident's reasonable attorney's fees
 1-48 and costs incurred in bringing the action.

1-49 SECTION 2. Section 81.026, Local Government Code, is
 1-50 amended to read as follows:

1-51 Sec. 81.026. COMMISSIONERS COURT MEMBERSHIP ON
 1-52 ASSOCIATIONS AND NONPROFIT ORGANIZATIONS. A county judge or county
 1-53 commissioner may serve on the governing body of or any committee
 1-54 serving an association of counties created or operating pursuant to
 1-55 the provisions of Section 89.002, including a nonprofit state
 1-56 association or organization, except that the county judge or county
 1-57 commissioner may not spend public funds to serve on the governing
 1-58 body or committee or to join or otherwise become a member of the
 1-59 association of counties in violation of Section 556.0056,
 1-60 Government Code. A county judge or county commissioner may serve as
 1-61 a member of any board of trustees or board of directors or other
 1-62 governing body of any trust or other entity created pursuant to

2-1 interlocal contract for the purpose of forming or administering any
2-2 governmental pool, self-insurance pool, insurance pool, or any
2-3 other fund or joint endeavor created for the benefit of member
2-4 counties and political subdivisions. In addition, a county judge
2-5 or county commissioner may serve as a member of the board of
2-6 directors of any nonprofit corporation that is created and exists
2-7 solely for the purpose of providing administrative or other
2-8 services to such trust or other entity. A county judge or county
2-9 commissioner, acting as a member of any such board or committee, may
2-10 perform any act necessary or appropriate for the rendition of such
2-11 service, including the casting of votes and deliberations
2-12 concerning and execution of contracts or claims with or against any
2-13 county. A county judge or commissioner may participate in
2-14 deliberations concerning and cast any vote on any matter before the
2-15 commissioners court affecting the execution of any contract with or
2-16 the payment of claims, premiums, dues, or contributions to any such
2-17 trust, association, nonprofit corporation, or entity or any related
2-18 matter.

2-19 SECTION 3. Section 89.002, Local Government Code, is
2-20 amended to read as follows:

2-21 Sec. 89.002. STATE ASSOCIATION OF COUNTIES. (a) Except as
2-22 provided by Section 556.0056, Government Code, the ~~[The]~~
2-23 commissioners court may spend, in the name of the county, money from
2-24 the county's general fund for membership fees and dues of a
2-25 nonprofit state association of counties if:

2-26 (1) a majority of the court votes to approve
2-27 membership in the association;

2-28 (2) the association exists for the betterment of
2-29 county government and the benefit of all county officials;

2-30 (3) the association is not affiliated with a labor
2-31 organization; and

2-32 ~~(4) [neither the association nor an employee of the
2-33 association directly or indirectly influences or attempts to
2-34 influence the outcome of any legislation pending before the
2-35 legislature, except that this subdivision does not prevent a person
2-36 from providing information for a member of the legislature or
2-37 appearing before a legislative committee at the request of the
2-38 committee or the member of the legislature; and~~

2-39 ~~[(5)]~~ neither the association nor an employee of the
2-40 association directly or indirectly contributes any money,
2-41 services, or other valuable thing to a political campaign or
2-42 endorses a candidate or group of candidates for public office.

2-43 (b) If any association or organization supported wholly or
2-44 partly by payments of tax receipts from political subdivisions
2-45 engages in an activity described by Subsection (a)(4) ~~[or (5)]~~, a
2-46 taxpayer of a political subdivision that pays fees or dues to the
2-47 association or organization is entitled to appropriate injunctive
2-48 relief to prevent any further activity described by Subsection
2-49 (a)(4) ~~[or (5)]~~ or any further payments of fees or dues.

2-50 SECTION 4. Section 556.0056, Government Code, as added by
2-51 this Act, applies only to an expenditure or payment of public funds
2-52 by a political subdivision that is made on or after the effective
2-53 date of this Act, including an expenditure or payment of public
2-54 funds by a political subdivision that is made under a contract
2-55 entered into before, on, or after the effective date of this Act. A
2-56 contract term providing for an expenditure or payment prohibited by
2-57 Section 556.0056, Government Code, as added by this Act, is void on
2-58 the effective date of this Act.

2-59 SECTION 5. Section 89.002, Local Government Code, as
2-60 amended by this Act, applies only to the spending of money by a
2-61 county from the county's general fund that occurs on or after the
2-62 effective date of this Act. The spending of money by a county from
2-63 the county's general fund that occurs before the effective date of
2-64 this Act is governed by the law as it existed immediately before the
2-65 effective date of this Act, and that law is continued in effect for
2-66 that purpose.

2-67 SECTION 6. This Act takes effect September 1, 2023.