

By: Middleton

S.B. No. 1706

A BILL TO BE ENTITLED

AN ACT

relating to restrictions on political contributions by out-of-state contributors; providing a civil penalty.

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

SECTION 1. Subchapter B, Chapter 253, Election Code, is amended by adding Section 253.044 to read as follows:

Sec. 253.044. POLITICAL CONTRIBUTION LIMITS RELATED TO OUT-OF-STATE CONTRIBUTORS. (a) A candidate or an officeholder may not knowingly accept, for an election in which the candidate's or officeholder's name appears on the ballot, political contributions that:

(1) are made by a person with a principal address that is located outside this state; and

(2) in the aggregate exceed:

(A) \$5,000 if the election is for a statewide office;

(B) \$2,500 if the election is for a district office; or

(C) \$1,000 if the election is for a county office.

(b) A candidate or an officeholder who accepts a political contribution in violation of Subsection (a) shall return the contribution to the contributor not later than the later of:

(1) the last day of the reporting period under Chapter

1 254 during which the contribution was accepted; or

2 (2) the fifth day after the date the contribution was
3 accepted.

4 (c) A political committee may not make a political
5 contribution to a candidate or an officeholder for an election in
6 which the candidate's or officeholder's name appears on the ballot
7 if, during the preceding reporting period under Chapter 254, more
8 than 50 percent of the political contributions accepted by the
9 committee were made by persons with a principal address that is
10 located outside this state.

11 (d) A person who violates this section is liable for a civil
12 penalty not to exceed three times the amount of the political
13 contributions accepted or made in violation of this section. The
14 commission may impose a civil penalty against a person under this
15 subsection only after a formal hearing is held as provided by
16 Subchapter E, Chapter 571, Government Code.

17 (e) The commission shall adopt rules as necessary to
18 implement this section.

19 SECTION 2. Section 253.044, Election Code, as added by this
20 Act, applies only to a political contribution made on or after the
21 effective date of this Act. A contribution made before the
22 effective date of this Act is governed by the law in effect when the
23 contribution was made and is not aggregated with contributions made
24 on or after that date.

25 SECTION 3. This Act takes effect September 1, 2023.