

By: Farabee

H.B. No. 2196

A BILL TO BE ENTITLED

AN ACT

1
2 relating to limits on political contributions to and direct
3 expenditures made on behalf of legislative candidates,
4 officeholders, and political committees supporting or opposing
5 such candidates; providing civil penalties.

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

7 SECTION 1. Chapter 253, Election Code, is amended by adding
8 Subchapter G to read as follows:

9 SUBCHAPTER G. CONTRIBUTION LIMITS FOR

10 LEGISLATIVE OFFICE

11 Sec. 253.201. APPLICABILITY OF SUBCHAPTER. This subchapter
12 applies only to a political contribution or direct campaign
13 expenditure in connection with:

14 (1) the office of state senator; or

15 (2) the office of state representative.

16 Sec. 253.202. CONTRIBUTION LIMITS. (a) A person other than
17 a general-purpose committee may not knowingly make or authorize
18 political contributions to a legislative candidate or officeholder
19 that in the aggregate exceed the following limits for the period
20 beginning January 1 and ending June 30 or for the period beginning
21 July 1 and ending December 31:

22 (1) for the office of state senator, \$10,000; or

23 (2) for the office of state representative, \$5,000.

24 (b) A general-purpose committee may not knowingly make or

1 authorize political contributions to a legislative candidate or
2 officeholder that in the aggregate exceed the following limits for
3 the period beginning January 1 and ending June 30 or for the period
4 beginning July 1 and ending December 31:

5 (1) for the office of state senator, \$50,000; or

6 (2) for the office of state representative, \$25,000.

7 (c) A person may not knowingly accept a political
8 contribution, and shall refuse a political contribution that is
9 received, in violation of Subsection (a) or (b).

10 (d) A person who violates this section is liable for a civil
11 penalty not to exceed three times the amount of the political
12 contributions made or accepted in violation of this section.

13 Sec. 253.203. CONTRIBUTION TO CERTAIN COMMITTEES
14 CONSIDERED CONTRIBUTION TO CANDIDATE OR OFFICEHOLDER. For purposes
15 of Section 253.202, a political contribution to a specific-purpose
16 committee for the purpose of supporting a legislative candidate,
17 opposing the legislative candidate's opponent, or assisting the
18 legislative candidate as an officeholder is considered to be a
19 contribution to the candidate or officeholder.

20 Sec. 253.204. CERTAIN DIRECT CAMPAIGN EXPENDITURES
21 CONSIDERED CONTRIBUTION TO CANDIDATE. For purposes of Section
22 253.202, a direct campaign expenditure is considered to be a
23 campaign contribution to a legislative candidate if it is made with
24 the cooperation or prior consent of, in consultation with, or at the
25 suggestion of:

26 (1) the candidate;

27 (2) a specific-purpose committee for supporting the

1 candidate or opposing the candidate's opponent; or

2 (3) a person acting with the candidate's knowledge and
3 consent.

4 Sec. 253.205. NOTICE TO CERTAIN CANDIDATES OR OFFICEHOLDERS
5 OF INTENT TO ACCEPT CONTRIBUTIONS OR MAKE EXPENDITURES. (a) The
6 campaign treasurer of a specific-purpose committee that intends to
7 accept political contributions or make political expenditures for
8 the purpose of supporting a candidate for a legislative office,
9 opposing a legislative candidate's opponent, or assisting a
10 legislative candidate as an officeholder shall deliver written
11 notice of the committee's intent to the affected candidate or
12 officeholder.

13 (b) The notice must include the full name and address of the
14 specific-purpose committee and of its campaign treasurer.

15 (c) The notice must be delivered not later than the later
16 of:

17 (1) the date the committee files its campaign
18 treasurer appointment; or

19 (2) the third day after the date the committee
20 determines that it intends to accept political contributions or
21 make political expenditures for which notice under this section is
22 required.

23 (d) A campaign treasurer who violates this section is liable
24 for a civil penalty in an amount not to exceed three times the
25 political contributions accepted or political expenditures made
26 for a purpose described by Subsection (a) before notice is
27 delivered to the affected candidate or officeholder.

1 Sec. 253.206. NOTICE TO CANDIDATE, OFFICEHOLDER, OR
2 COMMITTEE OF RECEIPT OF CONTRIBUTION. (a) The campaign treasurer
3 of a specific-purpose committee that receives a political
4 contribution or makes a direct campaign expenditure that is
5 considered under Section 253.203 or 253.204 to be a contribution to
6 a legislative candidate or officeholder shall, not later than the
7 fifth day after the date the contribution is received or the
8 expenditure is made, deliver written notice of that fact to the
9 affected candidate or officeholder.

10 (b) A legislative candidate or officeholder who receives a
11 political contribution covered by Section 253.202 shall, not later
12 than the fifth day after the date the contribution is received,
13 deliver written notice of that fact to the campaign treasurer of
14 each specific-purpose committee that notifies the candidate or
15 officeholder under Section 253.205 that the committee intends to
16 accept political contributions or make political expenditures on
17 the candidate's or officeholder's behalf.

18 (c) A notice under this section must include:

19 (1) the full name and address of the person receiving
20 the political contribution and of the person's campaign treasurer,
21 if any;

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

24 (3) the date the contribution is received; and

25 (4) the amount of the contribution.

26 (d) A person who violates this section is liable for a civil
27 penalty in an amount not to exceed three times the amount of

1 political contributions for which notice was not provided.

2 Sec. 253.207. RETURN OF EXCESS CONTRIBUTION. (a) A person
3 who receives a political contribution the acceptance of which would
4 violate Section 253.202 shall return the contribution to the
5 contributor not later than the 10th day after the date the
6 contribution is received.

7 (b) A political contribution that is not returned as
8 required by this section is considered to be accepted.

9 SECTION 2. Section 253.003(c), Election Code, is amended to
10 read as follows:

11 (c) This section does not apply to a political contribution
12 made or accepted in violation of Subchapter F or G.

13 SECTION 3. Section 253.004(b), Election Code, is amended to
14 read as follows:

15 (b) This section does not apply to a political expenditure
16 made or authorized in violation of Subchapter F or G.

17 SECTION 4. Section 253.005(b), Election Code, is amended to
18 read as follows:

19 (b) This section does not apply to a political expenditure
20 that is:

21 (1) prohibited by Section 253.101; or

22 (2) made from a political contribution made in
23 violation of Subchapter F or G.

24 SECTION 5. Section 254.034, Election Code, is amended by
25 adding Subsection (d-1) to read as follows:

26 (d-1) This section applies to a political contribution
27 covered by Subchapter G, Chapter 253, except as provided by Section

1 253.207.

2 SECTION 6. Subchapter C, Chapter 254, Election Code, is
3 amended by adding Section 254.0612 to read as follows:

4 Sec. 254.0612. ADDITIONAL CONTENTS OF REPORTS BY
5 LEGISLATIVE CANDIDATES. In addition to the contents required by
6 Sections 254.031 and 254.061, each report by a candidate for a
7 legislative office must include, for each political contribution of
8 which the candidate receives notice under Section 253.206:

9 (1) the full name and address of the committee
10 receiving the contribution;

11 (2) the full name and address of the committee's
12 campaign treasurer;

13 (3) the full name and address of the person making the
14 contribution;

15 (4) the date the contribution is received;

16 (5) the amount of the contribution; and

17 (6) an indication of whether the committee accepted or
18 refused the contribution.

19 SECTION 7. Subchapter D, Chapter 254, Election Code, is
20 amended by adding Section 254.0912 to read as follows:

21 Sec. 254.0912. ADDITIONAL CONTENTS OF REPORTS BY
22 LEGISLATIVE OFFICEHOLDERS. In addition to the contents required by
23 Sections 254.031 and 254.091, each report by the holder of a
24 legislative office must include the contents prescribed by Section
25 254.0612.

26 SECTION 8. Subchapter E, Chapter 254, Election Code, is
27 amended by adding Section 254.1212 to read as follows:

1 Sec. 254.1212. ADDITIONAL CONTENTS OF REPORTS OF CERTAIN
2 COMMITTEES. In addition to the contents required by Sections
3 254.031 and 254.121, each report by a specific-purpose committee
4 for supporting or opposing a legislative candidate for or assisting
5 a holder of a legislative office must include the contents
6 prescribed by Section 254.0612.

7 SECTION 9. (a) Subchapter G, Chapter 253, Election Code, as
8 added by this Act, applies only to a political contribution
9 accepted or a political expenditure made on or after September 1,
10 2003. A political contribution accepted or a political expenditure
11 made before September 1, 2003, is governed by the law in effect at
12 the time the contribution was accepted or the expenditure was made
13 and is not aggregated with political contributions accepted or
14 political expenditures made on or after that date.

15 (b) Sections 254.0612, 254.0912, and 254.1212, Election
16 Code, as added by this Act, apply to the reporting of a political
17 contribution accepted or political expenditure made on or after
18 September 1, 2003. The reporting of a political contribution
19 accepted or political expenditure made before September 1, 2003, is
20 governed by the law in effect at the time the contribution was
21 accepted or the expenditure was made.

22 SECTION 10. This Act takes effect September 1, 2003.