

BILL ANALYSIS

C.S.H.B. 1664
By: Harper-Brown
Elections
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, general-purpose committees are required to file reports of contributions and expenditures with the Texas Ethics Commission on a semi-annual basis. These committees are also required to report individual contributions that exceed \$50. The provisions relating to these committees are the same regardless of the size of the organization or how much political influence they exert. For instance, a PAC that raises and spends \$2,000 in a calendar year is held to the same standards as one dealing with \$500,000. In some instances, these small committees may only have one fundraising dinner and give money to two local candidates. Other committees spend their contributions on a voter guide only. To reduce the recordkeeping and reporting burdens for certain small general-purpose committees, CSHB 1664 provides alternate reporting requirements.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

CSHB 1664 modifies the Election Code by authorizing alternate forms of political activity reporting for certain small general-purpose committees. The bill provides that the alternate reporting provisions apply only to reports of political contributions and expenditures that are required to be filed on or after September 1, 2005.

For general-purpose committees that do not intend to accept political contributions, or make political expenditures, in a calendar year that in the aggregate exceed \$10,000, the bill authorizes campaign treasurers to file annual political activity reports. To be entitled to file the annual report, the bill provides that the campaign treasurer must file with the Texas Ethics Commission a written declaration of intent not to exceed the limit, including a statement that the committee understands that exceeding the limit will result in filing reports otherwise required for general-purpose committees. If the committee exceeds the limit before June 30, the bill requires the committee to file semiannual reports as otherwise required. If the committee exceeds the limit after June 30, the bill requires the committee to file a report not later than the later of July 15 or 48 hours after the maximum is exceeded. The bill sets forth the reporting period for the annual reports and for the reports required if the limit is exceeded.

For general-purpose committees with less than \$20,000 in on-hand political contributions, the bill authorizes alternate reporting for each reporting period, which includes:

- the date and amount of each accepted political contribution that in the aggregate exceeds \$100, along with the full name, address, and occupation of the person making the contribution; and
- the total amount or a specific listing of the political contributions accepted and expenditures made of \$100 or less.

The bill also increases the maximum amount of a political contribution, expenditure or loan that is not required to be reported individually in monthly reports to \$20 from \$10, for these small political committees.

EFFECTIVE DATE

September 1, 2005.

COMPARISON OF ORIGINAL TO SUBSTITUTE

The substitute modifies the original by adding provisions relating to annual reporting for general-purpose committees whose annual political activity does not exceed \$10,000. The substitute modifies the bill caption to reflect the addition of these provisions.