

By: Bohac

H.B. No. 3380

A BILL TO BE ENTITLED

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AN ACT

relating to the laws administered by the Texas Ethics Commission for the fair conduct of elections and election campaigns; providing penalties.

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

SECTION 1. Subdivision (2), Section 251.001, Election Code, is amended to read as follows:

(2) "Contribution" means a direct or indirect transfer of money, goods, services, or any other thing of value and includes an agreement made or other obligation incurred, whether legally enforceable or not, to make a transfer. The term includes a loan or extension of credit, other than those expressly excluded by this subdivision, and a guarantee of a loan or extension of credit, including a loan described by this subdivision. The term does not include:

(A) a loan made in the due course of business by a corporation that is legally engaged in the business of lending money and that has conducted the business continuously for more than one year before the loan is made; ~~or~~

(B) an expenditure required to be reported under Section 305.006(b), Government Code; or

(C) the value of services provided without compensation by any individual who volunteers on behalf of a candidate, officeholder, or political committee.

1 SECTION 2. Subsection (a), Section 252.003, Election Code,
2 is amended to read as follows:

3 (a) In addition to the information required by Section
4 252.002, a campaign treasurer appointment by a general-purpose
5 committee must include:

6 (1) the full name, and any acronym of the name that
7 will be used in the name of the committee as provided by Subsection
8 (d), of each corporation, labor organization, or other association
9 or legal entity that directly establishes, administers, or controls
10 the committee, if applicable, or the name of each person who
11 determines to whom the committee makes contributions or the name of
12 each person who determines for what purposes the committee makes
13 expenditures; and

14 ~~(2) [the full name and address of each general-purpose~~
15 ~~committee to whom the committee intends to make political~~
16 ~~contributions; and~~

17 ~~[(3)]~~ the name of the committee and, if the name is an
18 acronym, the words the acronym represents.

19 SECTION 3. Subchapter A, Chapter 253, Election Code, is
20 amended by adding Section 253.006 to read as follows:

21 Sec. 253.006. COERCION PROHIBITED. (a) A person,
22 including a candidate, officeholder, or political committee,
23 commits an offense if the person uses or threatens to use physical
24 force, job discrimination, or financial reprisal to obtain a
25 contribution or other thing of value to be used to influence the
26 result of an election or to assist an officeholder.

27 (b) A candidate, officeholder, or political committee

1 commits an offense if the person accepts or uses money or any other
2 thing of value that is known by the candidate or officeholder or by
3 an officer of the political committee, or an individual who causes
4 the political committee to accept or use the money or other thing of
5 value, to have been obtained in violation of Subsection (a).

6 (c) An offense under this section is a felony of the third
7 degree.

8 SECTION 4. Subsection (c), Section 253.031, Election Code,
9 is amended to read as follows:

10 (c) A political committee that files its campaign treasurer
11 appointment later than the 30th day before the date of an election
12 may not knowingly make or authorize a campaign contribution or
13 campaign expenditure supporting or opposing a candidate for an
14 office specified by Section 252.005(1) in a primary or general
15 election unless the committee files, not later than 48 hours after
16 the appointment, a report that contains the information required by
17 Chapter 254 covering the applicable reporting period through the
18 date the committee's campaign treasurer appointment was ~~[has been]~~
19 ~~filed [not later than the 30th day before the appropriate election~~
20 ~~day].~~

21 SECTION 5. Section 253.033, Election Code, is amended to
22 read as follows:

23 Sec. 253.033. CASH CONTRIBUTIONS EXCEEDING \$100
24 PROHIBITED; ANONYMOUS CONTRIBUTIONS. (a) A candidate,
25 officeholder, or specific-purpose committee may not knowingly
26 accept from a contributor in a reporting period political
27 contributions in cash that in the aggregate exceed \$100.

1 (b) A candidate, officeholder, or political committee that
2 receives an anonymous cash contribution in excess of \$50 shall
3 promptly disburse the amount over \$50 to one or more of the entities
4 listed in Section 254.204(a)(1), (3), (5), or (6). Anonymous cash
5 contributions of \$50 or less may be used by the candidate,
6 officeholder, or political committee for any lawful purpose.

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

9 SECTION 6. Section 253.063, Election Code, is amended to
10 read as follows:

11 Sec. 253.063. TRAVEL EXPENSE. Unreimbursed travel expenses
12 incurred by an individual are not a contribution or a [A] direct
13 campaign expenditure and are not reportable under this subchapter
14 or Chapter 254 [~~consisting of personal travel expenses incurred by~~
15 an individual may be made without complying with Section
16 253.062(a)(1)].

17 SECTION 7. Section 253.098, Election Code, is amended by
18 amending Subsection (b) and adding Subsection (c) to read as
19 follows:

20 (b) A corporation or labor organization may make one or more
21 campaign expenditures from its own property for the purpose of
22 permitting a candidate to appear and speak at a meeting of its
23 directors, officers, stockholders, or members, as applicable, or of
24 the families of its directors, officers, stockholders, or members.
25 A corporation or labor organization may not make an expenditure
26 under this subsection for transportation or lodging.

27 (c) An expenditure under this section is not reportable

1 under Chapter 254.

2 SECTION 8. Section 254.128, Election Code, is amended to
3 read as follows:

4 Sec. 254.128. NOTICE TO CANDIDATE AND OFFICEHOLDER OF
5 IN-KIND CONTRIBUTIONS [~~AND EXPENDITURES~~]. (a) If a
6 specific-purpose committee, other than a special-purpose committee
7 established, controlled, or authorized by the candidate or
8 officeholder, [~~accepts political contributions or~~] makes political
9 expenditures for a candidate or officeholder that constitute an
10 in-kind contribution, the committee's campaign treasurer shall
11 deliver written notice of that fact to the affected candidate or
12 officeholder not later than the end of the period covered by the
13 report in which the reportable activity occurs.

14 (b) The notice must include the full name and address of the
15 political committee and its campaign treasurer, [~~and~~] an indication
16 that the committee is a specific-purpose committee, and the amount
17 and nature of the contribution.

18 (c) A campaign treasurer commits an offense if the campaign
19 treasurer fails to comply with this section. An offense under this
20 section is a Class A misdemeanor.

21 SECTION 9. Section 254.161, Election Code, is amended to
22 read as follows:

23 Sec. 254.161. NOTICE TO CANDIDATE AND OFFICEHOLDER OF
24 CONTRIBUTIONS AND EXPENDITURES. If a general-purpose committee
25 other than the principal political committee of a political party
26 or a political committee established by a political party's county
27 executive committee [~~accepts political contributions or~~] makes

1 direct political expenditures for a candidate or officeholder that
2 constitute a contribution, notice of that fact shall be given to the
3 affected candidate or officeholder as provided by Section 254.128
4 for a specific-purpose committee.

5 SECTION 10. Section 253.037, Election Code, is repealed.

6 SECTION 11. (a) The changes in law made by this Act apply
7 only to an offense committed on or after the effective date of this
8 Act. For purposes of this section, an offense is committed before
9 the effective date of this Act if any element of the offense occurs
10 before the effective date.

11 (b) An offense committed before the effective date of this
12 Act is covered by the law in effect when the offense was committed,
13 and the former law is continued in effect for that purpose.

14 SECTION 12. This Act takes effect immediately if it
15 receives a vote of two-thirds of all the members elected to each
16 house, as provided by Section 39, Article III, Texas Constitution.
17 If this Act does not receive the vote necessary for immediate
18 effect, this Act takes effect September 1, 2005.