## **BILL ANALYSIS**

Senate Research Center 80R20027 ESH-D C.S.H.B. 3066 By: Truitt, Menendez (Patrick, Dan) State Affairs 5/15/2007 Committee Report (Substituted)

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Since 1996, the Texas Ethics Commission (commission) has approved the ethical and legal use of campaign funds for state legislators to pay rent for Austin lodging if the rented property is separate property owned by the legislator's spouse. In 2007, the commission affirmed its previous opinion (Ethics Advisory Opinion No. 319) of the legality of such campaign fund use. Recent press reports and political campaigns, however, have shed light on situations in which persons running for or to remain in office have paid for housing with campaign funds to an extent that lies outside of the intended meaning of the advisory opinion.

C.S.H.B. 3066 prohibits legislators from using campaign funds to pay rent for either community property or separate property of their spouses.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 253.038, Election Code, by adding Subsection (a-1) to prohibit a candidate or officeholder, or a specific-purpose committee for supporting, opposing, or assisting the candidate or officeholder, from knowingly making or authorizing a payment from a political contribution for the rental or purchase of real property from a person related within the first degree by consanguinity or affinity, as determined by Chapter 573 (Degrees of Relationship; Nepotism Prohibited), Government Code, to the candidate or officeholder, or from a business in which the candidate or officeholder, or said person related in the first degree by consanguinity or affinity, has a participating interest of more than 10 percent, holds a position on the governing body, or serves as an officer.

SECTION 2. Amends the heading to Section 253.038, Election Code, to read as follows:

Sec. 253.038. PAYMENTS MADE TO PURCHASE REAL PROPERTY OR TO RENT CERTAIN REAL PROPERTY PROHIBITED.

SECTION 3. Makes Section 253.038(a-1), as added by this Act, applicable to a payment made from political contributions on or after the effective date of this Act, regardless of whether the payment made from political contributions was made under a lease or other agreement entered into before the effective date of this Act.

SECTION 4. Effective date: September 1, 2007.