1-1 Branch, England (Senate Sponsor - Harris) H.B. No. 89 (In the Senate - Received from the House May 11, 2007; May 15, 2007, read first time and referred to Committee on State Affairs; May 18, 2007, reported favorably by the following vote: Yeas 6, Nays 0; May 18, 2007, sent to printer.) 1-2 1-3 1-4 1-5

> A BILL TO BE ENTITLED AN ACT

relating to an exemption for certain political committees from the imposition of civil penalties for violating requirements for reporting political contributions and expenditures.

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

SECTION 1. Subchapter F, Chapter 254, Election Code, is amended by adding Section 254.164 to read as follows:

Sec. 254.164. CERTAIN COMMITTEES EXEMPT FROM CIVIL PENALTIES. The commission may not impose a civil penalty on a general-purpose committee for a violation of this chapter if the report filed by the committee that is the subject of the violation discloses that the committee did not accept political contributions totaling \$3,000 or more, accept political contributions from a single person totaling \$1,000 or more, or make or authorize political expenditures totaling \$3,000 or more during:

(1) the reporting period covered by the report that is

the subject of the violation; or

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(2) either of the two reporting periods preceding the reporting period described by Subdivision (1).

SECTION 2. Not later than December 31, 2008, the Texas

Ethics Commission shall submit a report to the legislature on the impacts and effects of Section 254.164, Election Code, as added by this Act.

SECTION 3. Section 254.164, Election Code, as added by this Act, applies only to a violation of Chapter 254, Election Code, relating to a report required to be filed under that chapter on or after the effective date of this Act. A violation of Chapter 254, Election Code, relating to a report required to be filed under that chapter before the effective date of this Act is governed by the law in effect when the violation occurred, and the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2007.

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