

By: Geren

H.B. No. 349

A BILL TO BE ENTITLED

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AN ACT

relating to political consultants who are, or who are associated with, registered lobbyists; providing a penalty.

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

SECTION 1. Section 305.002, Government Code, is amended by adding Subdivisions (15) and (16) to read as follows:

(15) "Political consultant" means a person who provides, in connection with an actual or potential campaign of a candidate, as that term is defined by Section 251.001, Election Code, or officeholder, as that term is described by Section 251.002, Election Code:

(A) consulting in relation to political strategy;

(B) consulting or services in relation to fund-raising;

(C) voter demographics and polling;

(D) speech writing;

(E) services related to political advertising;

or

(F) planning and scheduling of public appearances.

(16) "Political consultant associated with the registrant" means a person associated with the registrant who is a political consultant. The term includes a person who is an officer

1 or partner of, owns an interest in, or is employed to act as a
2 political consultant by, a business entity that:

3 (A) employs the registrant to communicate
4 directly with a member of the legislative or executive branch to
5 influence legislation or administrative action;

6 (B) is, in whole or in part, under common
7 ownership or control with another business entity that employs the
8 registrant to communicate directly with a member of the legislative
9 or executive branch to influence legislation or administrative
10 action; or

11 (C) is owned or controlled, in whole or in part,
12 by the registrant.

13 SECTION 2. Sections 305.005(f) and (g), Government Code,
14 are amended to read as follows:

15 (f) The registration must be written and verified and must
16 contain:

17 (1) the registrant's full name and address;

18 (2) the registrant's normal business, business phone
19 number, and business address;

20 (3) the full name and address of each person:

21 (A) who reimburses, retains, or employs the
22 registrant to communicate directly with a member of the legislative
23 or executive branch to influence legislation or administrative
24 action; and

25 (B) on whose behalf the registrant has
26 communicated directly with a member of the legislative or executive
27 branch to influence legislation or administrative action;

1 (4) the full name and address of each person:

2 (A) who reimburses, retains, or employs the
3 registrant to act as a political consultant; and

4 (B) on whose behalf the registrant has acted as a
5 political consultant;

6 (5) the subject matter of the legislation or of the
7 administrative action that is the subject of the registrant's
8 direct communication with a member of the legislative or executive
9 branch and, if applicable, the docket number or other
10 administrative designation of the administrative action;

11 (6) [~~(5)~~] for each person employed or retained by the
12 registrant for the purpose of assisting in direct communication
13 with a member of the legislative or executive branch to influence
14 legislation or administrative action:

15 (A) the full name, business address, and
16 occupation of the person; and

17 (B) the subject matter of the legislation or of
18 the administrative action to which the person's activities
19 reportable under this section were related and, if applicable, the
20 docket number or other administrative designation of the
21 administrative action;

22 (7) for each political consultant associated with the
23 registrant:

24 (A) the full name and business address of the
25 political consultant; and

26 (B) the full name and address of each person:

27 (i) who reimburses, retains, or employs the

1 political consultant to act as a political consultant; and

2 (ii) on whose behalf the political
3 consultant has acted as a political consultant; ~~and~~

4 (8) ~~(6)~~ the amount of compensation or reimbursement
5 paid by each person who reimburses, retains, or employs the
6 registrant for the purpose of communicating directly with a member
7 of the legislative or executive branch or on whose behalf the
8 registrant communicates directly with a member of the legislative
9 or executive branch;

10 (9) the amount of compensation or reimbursement paid
11 by each person who reimburses, retains, or employs the registrant
12 to act as a political consultant; and

13 (10) the amount of compensation or reimbursement paid
14 by each person who reimburses, retains, or employs a political
15 consultant associated with the registrant to act as a political
16 consultant.

17 (g) Compensation or reimbursement required to be reported
18 under Subsection (f)(8), (9), or (10), ~~Subsection (f)(6)~~ shall be
19 reported in the following categories unless reported as an exact
20 amount:

21 (1) \$0 if no compensation or reimbursement is
22 received;

23 (2) less than \$10,000;

24 (3) at least \$10,000 but less than \$25,000;

25 (4) at least \$25,000 but less than \$50,000;

26 (5) at least \$50,000 but less than \$100,000;

27 (6) at least \$100,000 but less than \$150,000;

1 (7) at least \$150,000 but less than \$200,000; and

2 (8) \$200,000 or more.

3 SECTION 3. Section 305.011, Government Code, is amended by
4 amending Subsections (a) and (b) and adding Subsections (a-1) and
5 (b-1) to read as follows:

6 (a) Not later than February 1 of each odd-numbered year, the
7 commission shall prepare the lists required by this section.

8 (a-1) The commission shall prepare a list of the names of
9 registrants and shall indicate by each registrant's name each
10 employer or concern employing the registrant in relation to
11 activities that require registration under this chapter. The
12 commission shall also prepare a list of registrants who are
13 political consultants and shall indicate by each registrant's name
14 each employer or concern employing the registrant as a political
15 consultant.

16 (b) The [~~In addition to the list required under Subsection~~
17 ~~(a), the~~] commission shall prepare a list of the names of any
18 employer or concern employing a registrant in relation to
19 activities that require registration under this chapter and shall
20 indicate each registrant compensated by the employer or concern.
21 The commission shall also prepare a list of any employer or concern
22 employing a registrant as a political consultant and shall indicate
23 each registrant compensated by the employer or concern for services
24 as a political consultant.

25 (b-1) The commission shall prepare a list of registrants and
26 indicate by each registrant's name each political consultant
27 associated with the registrant. The list shall indicate the

1 general character of the association in a manner determined by the
2 commission.

3 SECTION 4. Subchapter B, Chapter 305, Government Code, is
4 amended by adding Section 305.029 to read as follows:

5 Sec. 305.029. DISCLOSURE CONCERNING ACTIVITIES OF
6 POLITICAL CONSULTANT. (a) A registrant may not represent a client
7 unless the registrant provides written notice to the client, in the
8 manner required by the commission, that discloses:

9 (1) the full name and address of each person:

10 (A) who reimburses, retains, or employs the
11 registrant to act as a political consultant; and

12 (B) on whose behalf the registrant has acted as a
13 political consultant; and

14 (2) for each political consultant associated with the
15 registrant:

16 (A) the full name and business address of the
17 political consultant; and

18 (B) the full name and address of each person:

19 (i) who reimburses, retains, or employs the
20 political consultant to act as a political consultant; and

21 (ii) on whose behalf the political
22 consultant has acted as a political consultant.

23 (b) A political consultant associated with a registrant
24 shall provide written notice that discloses the full name and
25 address of the registrant, in the manner required by the
26 commission, to each person:

27 (1) who reimburses, retains, or employs the political

1 consultant to act as a political consultant; and

2 (2) on whose behalf the political consultant has acted
3 as a political consultant.

4 (c) To satisfy the requirement of Subsection (a) or (b), the
5 person who receives the notice must acknowledge receipt of the
6 notice in writing.

7 (d) In each report filed with the commission, a registrant
8 shall, under oath, affirm that the registrant has, to the best of
9 the registrant's knowledge, complied with this section.

10 (e) The commission may receive complaints regarding a
11 violation of this section. If the commission determines a
12 violation of this section has occurred, the commission, after
13 notice and hearing:

14 (1) shall impose a civil penalty in an amount not to
15 exceed \$2,000; and

16 (2) may rescind a person's registration and may
17 prohibit a person from registering with the commission for a period
18 not to exceed two years from the date of the rescission of the
19 person's registration.

20 (f) A penalty under this section is in addition to any other
21 enforcement action that the commission or another person may take
22 under this chapter or other law.

23 SECTION 5. Section 305.031(a), Government Code, is amended
24 to read as follows:

25 (a) A person commits an offense if the person intentionally
26 or knowingly violates a provision of this chapter other than
27 Section 305.022, ~~or~~ 305.028, or 305.029. An offense under this

1 subsection is a Class A misdemeanor.

2 SECTION 6. Section 305.005, Government Code, as amended by
3 this Act, applies only to a registration or registration renewal
4 required to be filed under Chapter 305, Government Code, on or after
5 September 1, 2007. A registration or registration renewal required
6 to be filed under Chapter 305, Government Code, before September 1,
7 2007, is governed by the law as it existed immediately before
8 September 1, 2007, and that law is continued in effect for this
9 purpose.

10 SECTION 7. This Act takes effect September 1, 2007.