

Amend CSHB 2511 by adding the following appropriately-numbered SECTIONS:

SECTION _____. Section 251.002(a), Government Code, is amended to read as follows:

Sec. 251.002. OFFICEHOLDERS COVERED. (a) The provisions of this title applicable to an officeholder apply only to a person who holds an elective public office [~~and to the secretary of state~~].

SECTION _____. Section 405.005, Government Code, is amended to read as follows:

Sec. 405.005. ACCEPTANCE OF GIFTS, GRANTS, AND DONATIONS; REPORTING; AUDIT. (a) The secretary of state may accept or solicit gifts, grants, and donations of money or property from private persons, foundations, or organizations. Property provided by those entities and money donated to the secretary of state become the property of the state and are under the control of the secretary of state.

(a-1) The secretary of state shall use gifts of money made to the secretary of state for the purpose specified by the grantor, if any. All donations accepted shall be used [on behalf of the state] for any lawful public purpose related to the office or duties of the secretary of state, including an officeholder expenditure. As used in this section, "officeholder expenditure" has the meaning assigned by Section 251.001(9), Election Code.

(b) The secretary of state shall adopt rules to govern the secretary's acceptance of private gifts, grants, and donations to ensure that the use of the money or property supports the secretary of state's primary functions. The secretary of state may decline to accept a gift, grant, or donation that is made for a specific purpose if the secretary of state determines the gift may not be used reasonably or economically for the designated purpose.

(c) Money and securities donated to the secretary of state shall be held in trust outside the treasury by the comptroller in a special fund to be known as the secretary of state extraordinary fund. The comptroller shall manage and invest the fund on behalf of the secretary of state as directed or agreed to by the secretary of state.

(d) Interest, dividends, and other income of the fund shall

be credited to the fund.

(e) The secretary of state by rule shall establish an acquisition policy for accepting property and art objects.

(f) Notwithstanding any other provision of law, the financial transactions of the secretary of state made out of the fund are subject to annual audit by the state auditor.

(g) The secretary of state shall prepare annually a complete and detailed written report accounting for the fund showing all money received and disbursed by the secretary of state during the preceding fiscal year. The annual report must meet the reporting requirements applicable to financial reporting provided in the General Appropriations Act.

SECTION _____. If, on the effective date of this Act, the secretary of state has an officeholder account established under Title 15, Election Code, the secretary of state shall terminate the account on the effective date of the Act and remit any unexpended contributions in that account to one or more of the following:

(1) the comptroller for deposit to the credit of the secretary of state extraordinary fund established by this Act;

(2) one or more persons from whom political contributions were received, in accordance with Section 254.204(d), Election Code.