

By: Dunnam

H.B. No. 4419

A BILL TO BE ENTITLED

AN ACT

relating to money contributed to the secretary of state for
officeholder purposes.

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

SECTION 1. 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 2. 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

1 assigned by Section 251.001(9), Election Code.

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

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

15 (d) Interest, dividends, and other income of the fund shall
16 be credited to the fund.

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

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

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

1 SECTION 3. If, on the effective date of this Act, the
2 secretary of state has an officeholder account established under
3 Title 15, Election Code, the secretary of state shall terminate the
4 account on the effective date of the Act and remit any unexpended
5 contributions in that account to one or more of the following:

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

8 (2) one or more persons from whom political
9 contributions were received, in accordance with Section
10 254.204(d), Election Code.

11 SECTION 4. This Act takes effect immediately if it receives
12 a vote of two-thirds of all the members elected to each house, as
13 provided by Section 39, Article III, Texas Constitution. If this
14 Act does not receive the vote necessary for immediate effect, this
15 Act takes effect September 1, 2009.