

## **BILL ANALYSIS**

C.S.H.B. 487  
By: Howard  
Elections  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Interested parties note that the so-called "revolving door" between public service and lobbying has received a good deal of scrutiny over the years and, as a result, laws have been enacted at both the federal and state levels to require some form of cooling-off period before former lawmakers may begin working as lobbyists. The parties further note that Texas has not approved this type of restriction and that many former legislators secure work as lobbyists immediately after leaving office. The parties are concerned that, in making such a rapid transition, these individuals are often left with money in their campaign bank accounts.

According to the interested parties, most people assume that political contributions made to an individual candidate are generally made for the purpose of helping that candidate get elected to public office and that candidates and officeholders are prohibited from converting campaign contributions to personal use. However, those parties point out that a former officeholder can make a political contribution from these funds to other individual candidates, and the parties are concerned that the political nature of the lobbying profession creates a gray area of law because a former officeholder who registers to lobby is appropriately entitled to exercise the right as a private citizen to contribute to political candidates yet is not required to use personal funds to exercise that right. To eliminate this gray area, C.S.H.B. 487 seeks to prohibit a lobbyist, for a two-year period following the end of the term to which they were elected, from making political contributions from funds accepted when the lobbyist was a candidate or officeholder.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill expressly does one or more of the following: creates a criminal offense, increases the punishment for an existing criminal offense or category of offenses, or changes the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 487 amends the Election Code and Government Code to prohibit a person required to register as a lobbyist from knowingly making or authorizing before the second anniversary of the date the last term for which the person was elected ends a political contribution or political expenditure from political contributions accepted by the person as a candidate or officeholder.

C.S.H.B. 487 amends the Election Code to make it a Class A misdemeanor to violate the prohibition.

C.S.H.B. 487 applies to a political contribution, political expenditure, or lobbying expenditure

made on or after January 15, 2017, from funds accepted as a political contribution, regardless of the date the funds were accepted.

**EFFECTIVE DATE**

September 1, 2015.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 487 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Subchapter A, Chapter 253, Election Code, is amended by adding Section 253.006 to read as follows:

Sec. 253.006. CERTAIN CONTRIBUTIONS AND EXPENDITURES BY LOBBYISTS RESTRICTED.

(a) In this section, "administrative action," "communicates directly with," "legislation," "member of the executive branch," and "member of the legislative branch" have the meanings assigned by Section 305.002, Government Code.

(b) Notwithstanding any other provision of law and except as provided by Subsection (c), a person required to register under Chapter 305, Government Code, may not, before the second anniversary of the date the last term for which the person was elected ends, knowingly make or authorize a political contribution or political expenditure from political contributions accepted by the person as a candidate or officeholder.

(c) Subsection (b) does not apply to a person who:

(1) communicates directly with a member of the legislative or executive branch only to influence legislation or administrative action on behalf of:

(A) a nonprofit organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code;

(B) a group of low-income individuals; or

(C) a group of individuals with disabilities; and

(2) does not receive compensation other than reimbursement for actual expenses for

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Subchapter A, Chapter 253, Election Code, is amended by adding Section 253.006 to read as follows:

Sec. 253.006. CERTAIN CONTRIBUTIONS AND EXPENDITURES BY LOBBYISTS RESTRICTED.

(a) Notwithstanding any other provision of law, a person required to register under Chapter 305, Government Code, may not, before the second anniversary of the date the last term for which the person was elected ends, knowingly make or authorize a political contribution or political expenditure from political contributions accepted by the person as a candidate or officeholder.

engaging in communication described by Subdivision (1).

(d) A person who violates this section commits an offense. An offense under this section is a Class A misdemeanor.

SECTION 2. Subchapter B, Chapter 305, Government Code, is amended by adding Section 305.029 to read as follows:

Sec. 305.029. EXPENDITURES FROM POLITICAL CONTRIBUTIONS RESTRICTED. (a) In this section, "political contribution" has the meaning assigned by Section 251.001, Election Code.

(b) Notwithstanding any other provision of law and except as provided by Subsection (c), a person required to register under this chapter may not, before the second anniversary of the date the last term for which the person was elected ends, knowingly make or authorize an expenditure under this chapter from political contributions accepted by the person as a candidate or officeholder.

(c) Subsection (b) does not apply to a person who:

(1) communicates directly with a member of the legislative or executive branch only to influence legislation or administrative action on behalf of:

(A) a nonprofit organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that code;

(B) a group of low-income individuals; or

(C) a group of individuals with disabilities; and

(2) does not receive compensation other than reimbursement for actual expenses for engaging in communication described by Subdivision (1).

SECTION 3. Section 253.006, Election Code, as added by this Act, and Section 305.029, Government Code, as added by this Act, apply to a political contribution, political expenditure, or lobbying expenditure made on or after January 1, 2017, from funds accepted as a political contribution, regardless of the date the funds were accepted.

(b) A person who violates this section commits an offense. An offense under this section is a Class A misdemeanor.

SECTION 2. Subchapter B, Chapter 305, Government Code, is amended by adding Section 305.029 to read as follows:

Sec. 305.029. EXPENDITURES FROM POLITICAL CONTRIBUTIONS RESTRICTED. (a) In this section, "political contribution" has the meaning assigned by Section 251.001, Election Code.

(b) Notwithstanding any other provision of law, a person required to register under this chapter may not, before the second anniversary of the date the last term for which the person was elected ends, knowingly make or authorize an expenditure under this chapter from political contributions accepted by the person as a candidate or officeholder.

SECTION 3. Section 253.006, Election Code, as added by this Act, and Section 305.029, Government Code, as added by this Act, apply to a political contribution, political expenditure, or lobbying expenditure made on or after January 15, 2017, from funds accepted as a political contribution, regardless of the date the funds were accepted.

SECTION 4. This Act takes effect  
September 1, 2015.

SECTION 4. Same as introduced version.