

BILL ANALYSIS

Senate Research Center

H.B. 1532
By: Geren (Eltife)
Business & Commerce
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties have expressed concerns regarding what they perceive as an insufficiency of Texas campaign finance reporting requirements for certain political candidates and entities, including requirements relating to the frequency of the reports, which currently are filed relatively infrequently, and the filing deadlines for required reports. H.B. 1532 seeks to increase the frequency of political financial reporting.

H.B. 1532 amends current law relating to quarterly reporting of political contributions and expenditures by certain candidates, officeholders, and political committees and adds provisions subject to a criminal penalty.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Ethics Commission in SECTION 2 (Section 254.031, Election Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 252.0011(d), Election Code, as follows:

(d) Provides that Subsection (c) (relating to persons to which conditions for ineligibility for appointment as a campaign treasurer do not apply) applies to a person who is the campaign treasurer of a general-purpose committee regardless of whether the committee files quarterly or files monthly reports under Section 254.155 (Option to File Monthly; Notice). Provides that, for purposes of this subsection, political contributions accepted and political expenditures made during each month of a reporting period, rather than during a monthly reporting period, are aggregated with political contributions accepted and political expenditures made in each other month of the reporting period that corresponds to the semiannual reporting period that contains those months. Makes a conforming change.

SECTION 2. Amends Section 254.031, Election Code, by adding Subsections (c), (d), and (e), as follows:

(c) Requires that the threshold amounts provided by Subsection (a) (requiring a report filed under this chapter to include certain information set forth) be divided by two for a person who files quarterly reports under this chapter. Requires the Texas Ethics Commission (commission) to adopt rules to implement this subsection.

(d) Requires a candidate or officeholder, if the candidate or officeholder, or any other person, loans money to the campaign of a candidate or officeholder who files quarterly reports under this chapter, to, at the time the candidate or officeholder reports the loan, provide the authority with whom the candidate or officeholder is required to file reports under this chapter with evidence that the money was actually deposited in an account in which the candidate or officeholder holds political contributions.

(e) Provides that evidence submitted under Subsection (d) is considered part of a report for purposes of public inspection under Section 254.0402 (Public Inspection of Reports).

SECTION 3. Amends Section 254.0405, Election Code, as follows:

Sec. 254.0405. AMENDMENT OF FILED REPORT. (a) Authorizes a person who files a quarterly or semiannual report, rather than a person who files a semiannual report, under this chapter to amend the report.

(b) and (c) Makes conforming changes.

SECTION 4. Amends Section 254.041(d), Election Code, as follows:

(d) Provides that it is an exception to the application of Subsection (a)(3) (providing that a person who is required by this chapter to file a report commits an offense if the person knowingly fails to include in the report information that is required by this title to be included) that:

(1) the information was required to be included in a quarterly or semiannual report; and

(2) Makes no change to this subdivision.

SECTION 5. Amends the heading to Section 254.063, Election Code, to read as follows:

Sec. 254.063. SEMIANNUAL REPORTING SCHEDULE FOR CERTAIN CANDIDATES.

SECTION 6. Amends Section 254.063(a), Election Code, to require a candidate, except as provided by Section 254.0631, to file two reports for each year as provided by this section.

SECTION 7. Amends Subchapter C, Chapter 254, Election Code, by adding Section 254.0631, as follows:

Sec. 254.0631. QUARTERLY REPORTING SCHEDULE FOR CANDIDATE FOR OFFICE OF STATE GOVERNMENT. (a) Requires a candidate for a statewide office or for the office of state representative or state senator to file four reports for each year as provided by this section.

(b) Requires that the first report be filed not later than April 15. Provides that the report covers the period beginning January 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through March 31.

(c) Requires that the second report be filed not later than July 15. Provides that the report covers the period beginning April 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through June 30.

(d) Requires that the third report be filed not later than October 15. Provides that the report covers the period beginning July 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through September 30.

(e) Requires that the fourth report be filed not later than January 15. Provides that the report covers the period beginning October 1, the day the candidate's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through December 31.

SECTION 8. Amends the heading to Section 254.093, Election Code, to read as follows:

Sec. 254.093. SEMIANNUAL REPORTING SCHEDULE FOR CERTAIN OFFICEHOLDERS.

SECTION 9. Amends Section 254.093(a), Election Code, to require an officeholder, except as provided by Section 254.0931, to file two reports for each year as provided by this section.

SECTION 10. Amends Subchapter D, Chapter 254, Election Code, by adding Section 254.0931, as follows:

Sec. 254.0931. QUARTERLY REPORTING SCHEDULE FOR HOLDER OF OFFICE OF STATE GOVERNMENT. (a) Requires a holder of a statewide office, a state representative, or a state senator to file four reports for each year as provided by this section.

(b) Requires that the first report be filed not later than April 15. Provides that the report covers the period beginning January 1, the day the officeholder takes office, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through March 31.

(c) Requires that the second report be filed not later than July 15. Provides that the report covers the period beginning April 1, the day the officeholder takes office, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through June 30.

(d) Requires that the third report be filed not later than October 15. Provides that the report covers the period beginning July 1, the day the officeholder takes office, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through September 30.

(e) Requires that the fourth report be filed not later than January 15. Provides that the report covers the period beginning October 1, the day the officeholder takes office, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through December 31.

SECTION 11. Amends the heading to Section 254.123, Election Code, to read as follows:

Sec. 254.123. SEMIANNUAL REPORTING SCHEDULE FOR CERTAIN COMMITTEES.

SECTION 12. Amends Section 254.123(a), Election Code, to require the campaign treasurer of a specific-purpose committee, except as provided by Section 254.1231, to file two reports for each year as provided by this section.

SECTION 13. Amends Subchapter E, Chapter 254, Election Code, by adding Section 254.1231, as follows:

Sec. 254.1231. QUARTERLY REPORTING SCHEDULE FOR COMMITTEES WITH PURPOSE RELATED TO OFFICE OF STATE GOVERNMENT. (a) Requires a specific-purpose committee supporting or opposing a candidate for a statewide office or the office of state representative or state senator, or assisting a holder of a statewide office, a state representative, or a state senator to file four reports for each year as provided by this section.

(b) Requires that the first report be filed not later than April 15. Provides that the report covers the period beginning January 1, the day the committee's campaign

treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through March 31.

(c) Requires that the second report be filed not later than July 15. Provides that the report covers the period beginning April 1, the day the committee's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through June 30.

(d) Requires that the third report be filed not later than October 15. Provides that the report covers the period beginning July 1, the day the committee's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through September 30.

(e) Requires that the fourth report be filed not later than January 15. Provides that the report covers the period beginning October 1, the day the committee's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through December 31.

SECTION 14. Amends Section 254.153, Election Code, as follows:

Sec. 254.153. New heading: QUARTERLY REPORTING SCHEDULE FOR COMMITTEE. (a) Requires the campaign treasurer of a general-purpose committee to file four, rather than two, reports for each year as provided by this section.

(b) Requires that the first report be filed not later than April 15, rather than July 15. Provides that the report covers the period beginning January 1, the day the committee's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through March 31, rather than June 30.

(c) Requires that the second report be filed not later than July 15, rather than January 15. Provides that the report covers the period beginning April 1, rather than July 1, the day the committee's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through June 30, rather than December 31.

(d) Requires that the third report be filed not later than October 15. Provides that the report covers the period beginning July 1, the day the committee's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through September 30.

(e) Requires that the fourth report be filed not later than January 15. Provides that the report covers the period beginning October 1, the day the committee's campaign treasurer appointment is filed, or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through December 31.

SECTION 15. Amends Section 254.184(b), Election Code, to provide that a candidate or committee filing under this subchapter is not required to file any reports of political contributions and political expenditures other than the required quarterly or semiannual reports, rather than other than the reports required to be filed not later than July 15 and January 15.

SECTION 16. Effective date: January 1, 2016.