## **BILL ANALYSIS**

Senate Research Center 85R5782 ATP-F H.B. 998 By: Alvarado (Miles) State Affairs 5/11/2017 Engrossed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties note that some cities are considering implementing electronic filing systems for campaign finance reports and the parties express concern regarding the potential misuse or misinterpretation of electronic data relating to a report that is temporarily saved for later retrieval and editing before the report is filed. The goal of H.B. 998 is to prevent such misuse or misinterpretation by providing for the confidentiality of such temporarily saved data.

In 2015, the Texas Ethics Commission (TEC) introduced a web-based filing application for state campaign finance filings that allows users to save electronic data online for later retrieval and editing before sending the finalized report to TEC. This application allows filers to prepare their reports online from any computer. The TEC's new filing application raised confidentiality concerns among state filers that information uploaded during the preparation process could be disclosed publicly, resulting in the potential misuse or misinterpretation of that preliminary information. Therefore, the 84th Legislature passed H.B. 3680 to clarify that information uploaded to TEC's electronic software during the preparation phase of creating a campaign finance report is confidential and not subject to the Public Information Act.

If cities move forward with an electronic filing system based on the state's system, cities will need a similar confidentiality provision to Section 571.0671(d), Government Code, for local filing authorities to protect preliminary data shared by local candidates and special-purpose committees.

H.B. 998 amends the Election Code to make confidential and prohibit from disclosure electronic data relating to a campaign finance report saved in a temporary storage location of the authority with whom the report is filed for later retrieval and editing before the report is filed. The bill makes the information disclosed in the filed report, after the report is filed with the appropriate authority, public information to the extent provided by statutory provisions relating to the regulation of political funds and campaigns.

H.B. 998 amends current law relating to the confidentiality of certain information stored as part of the preparation of campaign finance reports required to be filed with the clerk of certain counties or municipalities.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 254.0401, Election Code, by adding Subsection (g), as follows:

(g) Provides that electronic report data saved in a temporary storage location of the authority with whom the report is filed for later retrieval and editing before the report is filed is confidential and is prohibited from being disclosed. Provides that, after the report is filed with the authority, the information disclosed in the filed report is public information to the extent provided by this title (Regulating Political Funds and Campaigns).

SECTION 2. Effective date: September 1, 2017.