86R14396 TYPED

By:  Leach H.B. No. 2586

A BILL TO BE ENTITLED

AN ACT

relating to direct campaign expenditures by political committees.

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

SECTION 1.  Section 251.001, Election Code, is amended by amending subdivision (12) and adding new subdivisions (21) and (22) to read as follows:

(12)  "Political committee" means [~~a group of~~] two or more persons acting in concert with [~~that has~~] a principal purpose of accepting political contributions or making political expenditures. The term does not include a group composed exclusively of two or more individual filers or political committees required to file reports under this title who make reportable expenditures for a joint activity.

(21)  "Acting in concert" means acting in cooperation or consultation with another, or under an express or implied agreement, to pursue a common activity.

(22)  "In-kind contribution" is a contribution of goods, services, or any other thing of value, except money, and includes an agreement made or other obligation incurred, whether legally enforceable or not, to make such a contribution. The term does not include a direct campaign expenditure.

SECTION 2.  Chapter 251, Election Code, is amended by adding Section 251.0015 to read as follows:

Sec. 251.0015.  AFFIDAVIT FOR MEETING. (a) For purposes of Subsection 251.001(21), meeting with a candidate, or a candidate's agent or staff, is not evidence of acting in concert with the candidate for a person at the meeting who signs an affidavit in accordance with Subsection (b) within five days after the meeting, unless there is evidence that the person violated Section 37.02, Penal Code, in signing the affidavit under Subsection (b).

(b)  The affidavit must state that no person at the meeting provided to another person during the meeting:

(1)  mailing, email, or telephone lists;

(2)  dates for prospective campaign communications;

(3)  amounts being spent on prospective campaign communications; or

(4)  drafts or final proofs of prospective political advertising.

SECTION 3.  Section 252.003(a), Election Code, is amended to read as follows:

(a)  In addition to the information required by Section 252.002, a campaign treasurer appointment by a general-purpose committee must include:

(1)  the full name, and any acronym of the name that will be used in the name of the committee as provided by Subsection (d), of each corporation, labor organization, or other association or legal entity that directly establishes, administers, or controls the committee, if applicable, or the name of each person who determines to whom the committee makes contributions or the name of each person who determines for what purposes the committee makes expenditures;

(2)  the full name and address of each general-purpose committee to whom the committee intends to make political contributions; [~~and~~]

(3)  the name of the committee and, if the name is an acronym, the words the acronym represents; and

(4)  if the committee intends to use a political contribution from a corporation or a labor organization to make any direct campaign expenditures in connection with a campaign for an elective office, an affidavit stating that:

(A)  the committee is not established or controlled by a candidate or an officeholder; and

(B)  the committee will not use any political contribution from a corporation or a labor organization to make a political contribution to any:

(i)  candidate for elective office;

(ii)  officeholder; or

(iii)  political committee that has not filed an affidavit under this subdivision.

SECTION 4.  Section 252.0031, Election Code, is amended to read as follows:

Sec. 252.0031.  CONTENTS OF APPOINTMENT BY SPECIFIC-PURPOSE COMMITTEE. (a) In addition to the information required by Section 252.002, a campaign treasurer appointment by a specific-purpose committee for supporting or opposing a candidate for an office specified by Section 252.005(1) must include:

(1)  the name of and the office sought by the candidate; and

(2)  if the committee intends to use a political contribution from a corporation or a labor organization to make any direct campaign expenditures in connection with a campaign for an elective office, an affidavit in accordance with the requirements of Section 252.003(a)(4).

(b)  If [~~that~~] any of the information required to be included in a specific-purpose committee's appointment changes, the committee shall immediately file an amended appointment reflecting the change.

(c) [~~(b)~~]  The name of a specific-purpose committee for supporting a candidate for an office specified by Section 252.005(1) must include the name of the candidate that the committee supports.

SECTION 5.  Subchapter D, Chapter 253, Election Code, is amended by adding Section 253.097 to read as follows:

Sec. 253.097.  CONTRIBUTION FOR DIRECT CAMPAIGN EXPENDITURES. A corporation or labor organization may make campaign contributions from its own property to a political committee that has filed an affidavit with the commission in accordance with Section 252.003(a)(4) or 252.0031(a)(2).

SECTION 6.  Sections 253.100(a), (d) and (e), Election Code, are amended to read as follows:

(a)  A corporation, acting alone or with one or more other corporations, may make one or more political expenditures to finance the establishment or administration of a general-purpose committee. In addition to any other expenditure that is considered permissible under this section, a corporation may make an expenditure for the maintenance and operation of a general-purpose committee, including an expenditure for:

(1)  office space maintenance and repairs;

(2)  telephone and Internet services;

(3)  office equipment;

(4)  utilities;

(5)  general office and meeting supplies;

(6)  salaries for routine clerical, data entry, and administrative assistance necessary for the proper administrative operation of the committee;

(7)  legal and accounting fees for the committee's compliance with this title;

(8)  routine administrative expenses incurred in establishing and administering a general-purpose political committee;

(9)  management and supervision of the committee, including expenses incurred in holding meetings of the committee's governing body to interview candidates and make endorsements relating to the committee's support;

(10)  the recording of committee decisions;

(11)  expenses incurred in hosting candidate forums in which all candidates for a particular office in an election are invited to participate on the same terms; ~~or~~

(12)  expenses incurred in preparing and delivering committee contributions; or

(13)  creation and maintenance of the committee's public Internet webpages that do not contain political advertising.

(d)  A corporation or labor organization may not make expenditures under this section for:

(1)  political consulting to support or oppose a candidate;

(2)  telephoning or telephone banks to communicate with the public;

(3)  brochures and direct mail supporting or opposing a candidate;

(4)  partisan voter registration and get-out-the-vote drives;

(5)  political fund-raising other than from its stockholders or members, as applicable, or the families of its stockholders or members;

(6)  voter identification efforts, voter lists, or voter databases that include persons other than its stockholders or members, as applicable, or the families of its stockholders or members;

(7)  polling designed to support or oppose a candidate other than of its stockholders or members, as applicable, or the families of its stockholders or members; or

(8)  recruiting candidates.

(e)  Subsection (d) does not apply to a corporation or labor organization making an expenditure [~~to communicate with its stockholders or members, as applicable, or with the families of its stockholders or members as provided~~] authorized by Section 253.097 or 253.098.

SECTION 7.  Section 253.101, Election Code, is repealed.

SECTION 8.  This Act takes effect September 1, 2019.