86R31124 JG-D

By:  Hall, et al. S.B. No. 29

(Middleton, Longoria, Metcalf, Phelan, Burrows, et al.)

Substitute the following for S.B. No. 29:

By:  Phelan C.S.S.B. No. 29

A BILL TO BE ENTITLED

AN ACT

relating to the use by a political subdivision of public money for lobbying and certain other activities.

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

SECTION 1.  Section 89.002, Local Government Code, is transferred to Chapter 556, Government Code, redesignated as Section 556.0056, Government Code, and amended to read as follows:

Sec. 556.0056 [~~89.002~~]. LOBBYING ACTIVITIES; ASSOCIATIONS AND ORGANIZATIONS [~~STATE ASSOCIATION OF COUNTIES~~]. (a) This section applies to the following political subdivisions:

(1)  a political subdivision that imposes a tax; and

(2)  a regional mobility authority, toll road authority, or transit authority.

(b)  The governing body of a political subdivision may not spend public money to directly or indirectly influence or attempt to influence the outcome of any legislation pending before the legislature related to:

(1)  taxation, including the implementation, rates, and administration of taxes;

(2)  bond elections;

(3)  tax-supported debt; and

(4)  ethics and transparency of public servants.

(c)  Subsection (b) does not prevent:

(1)  an officer or employee of a political subdivision from providing information for a member of the legislature or appearing before a legislative committee at the request of the committee or the member of the legislature;

(2)  an elected officer of a political subdivision from advocating for or against or otherwise influencing or attempting to influence the outcome of legislation pending before the legislature while acting as an officer of the political subdivision; or

(3)  an employee of a political subdivision from advocating for or against or otherwise influencing or attempting to influence the outcome of legislation pending before the legislature if those actions would not require a person to register as a lobbyist under Chapter 305.

(d)  The governing body of a political subdivision [~~commissioners court~~] may spend, in the name of the political subdivision [~~county~~], money [~~from the county's general fund~~] for membership fees and dues of a nonprofit state association or organization of similarly situated political subdivisions only [~~counties~~] if:

(1)  a majority of the governing body [~~court~~] votes to approve membership in the association or organization;

(2)  the association or organization exists for the betterment of local [~~county~~] government and the benefit of all local [~~county~~] officials;

(3)  the association or organization is not affiliated with a labor organization;

(4)  [~~neither~~] the association or organization, [~~nor~~] an employee of the association or organization, or a person acting on behalf of the association or organization does not directly or indirectly influence [~~influences~~] or attempt [~~attempts~~] to influence the outcome of any legislation pending before the legislature related to the matters described by Subsections (b)(1)-(4)[~~, except that this subdivision does not prevent a person from providing information for a member of the legislature or appearing before a legislative committee at the request of the committee or the member of the legislature~~]; and

(5)  [~~neither~~] the association or organization does not [~~nor an employee of the association~~] directly or indirectly contribute [~~contributes~~] any money, services, or other valuable thing to a political campaign or endorse [~~endorses~~] a candidate or group of candidates for public office.

(e)  If a political subdivision engages in an activity prohibited by Subsection (b) or if [~~(b)  If~~] any association or organization supported wholly or partly by payments of public money [~~tax receipts~~] from political subdivisions engages in an activity described by Subsection (d)(4) [~~(a)(4)~~] or (5), a taxpayer or resident of the [~~a~~] political subdivision that engages in the prohibited activity or that pays fees or dues to the association or organization is entitled to appropriate injunctive relief to prevent any further activity prohibited by Subsection (b) or described by Subsection (d)(4) [~~(a)(4)~~] or (5) or any further payments of fees or dues.

(f)  A taxpayer or resident who prevails in an action under Subsection (e) is entitled to recover from the political subdivision the taxpayer's or resident's reasonable attorney's fees and costs incurred in bringing the action.

SECTION 2.  Chapter 140, Local Government Code, is amended by adding Section 140.012 to read as follows:

Sec. 140.012.  DISCLOSURE IN FINANCIAL REPORT OF AMOUNTS SPENT ON LOBBYING ACTIVITIES. (a) This section applies only to:

(1)  a political subdivision that imposes a tax; or

(2)  a regional mobility authority, toll road authority, or transit authority.

(b)  A political subdivision or authority that uses any public money to influence or attempt to influence the outcome of any legislation pending before the legislature must disclose on any comprehensive annual financial report required to be prepared by the political subdivision or authority the total amount spent during the fiscal year to compensate persons required to register as a lobbyist under Chapter 305, Government Code, to influence the outcome of legislation.

(c)  Subsection (b) does not require a political subdivision or authority to prepare a separate comprehensive annual financial report for the disclosures under that subsection.

SECTION 3.  (a)  Section 556.0056, Government Code, as transferred, redesignated, and amended by this Act, applies only to an expenditure or payment of public money by a political subdivision that is made on or after September 1, 2019, including an expenditure or payment of public money by a political subdivision that is made under a contract entered into before, on, or after the effective date of this Act. A contract term providing for an expenditure or payment prohibited by Section 556.0056, Government Code, as transferred, redesignated, and amended by this Act, is void on the effective date of this Act for being counter to public policy.

(b)  Section 140.012, Local Government Code, as added by this Act, applies only to a fiscal year of an entity required to file a report that begins on or after the effective date of this Act.

SECTION 4.  This Act takes effect September 1, 2019.