

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

1 Subsection 251.001(21), meeting with a candidate, or a candidate's
2 agent or staff, is not evidence of acting in concert with the
3 candidate for a person at the meeting who signs an affidavit in
4 accordance with Subsection (b) within five days after the meeting,
5 unless there is evidence that the person violated Section 37.02,
6 Penal Code, in signing the affidavit under Subsection (b).

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

9 (1) mailing, email, or telephone lists;

10 (2) dates for prospective campaign communications;

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

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

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

17 (a) In addition to the information required by Section
18 252.002, a campaign treasurer appointment by a general-purpose
19 committee must include:

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

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

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

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

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

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

15 (i) candidate for elective office;

16 (ii) officeholder; or

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

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

21 Sec. 252.0031. CONTENTS OF APPOINTMENT BY SPECIFIC-PURPOSE
22 COMMITTEE. (a) In addition to the information required by Section
23 252.002, a campaign treasurer appointment by a specific-purpose
24 committee for supporting or opposing a candidate for an office
25 specified by Section 252.005(1) must include:

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

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

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

10 (c) [~~(b)~~] The name of a specific-purpose committee for
11 supporting a candidate for an office specified by Section
12 252.005(1) must include the name of the candidate that the
13 committee supports.

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

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

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

23 (a) A corporation, acting alone or with one or more other
24 corporations, may make one or more political expenditures to
25 finance the establishment or administration of a general-purpose
26 committee. In addition to any other expenditure that is considered
27 permissible under this section, a corporation may make an

1 expenditure for the maintenance and operation of a general-purpose
2 committee, including an expenditure for:

3 (1) office space maintenance and repairs;

4 (2) telephone and Internet services;

5 (3) office equipment;

6 (4) utilities;

7 (5) general office and meeting supplies;

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

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

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

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

20 (10) the recording of committee decisions;

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

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

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

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

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

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

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

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

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

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

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

21 (8) recruiting candidates.

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

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

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