

By: Meza

H.B. No. 490

A BILL TO BE ENTITLED

AN ACT

relating to limits on certain political contributions; creating a criminal offense.

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

SECTION 1. Section 253.003(c), Election Code, is amended to read as follows:

(c) This section does not apply to a political contribution made or accepted in violation of Subchapter C or F.

SECTION 2. Section 253.004(b), Election Code, is amended to read as follows:

(b) This section does not apply to a political expenditure made or authorized in violation of Subchapter C or F.

SECTION 3. Section 253.005(b), Election Code, is amended to read as follows:

(b) This section does not apply to a political expenditure that is:

(1) prohibited by Section 253.101; or

(2) made from a political contribution made in violation of Subchapter C or F.

SECTION 4. Chapter 253, Election Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. CERTAIN CONTRIBUTION LIMITS

Sec. 253.051. CONTRIBUTION LIMITS FOR INDIVIDUALS AND CERTAIN POLITICAL COMMITTEES. (a) An individual may not make

campaign contributions to a candidate or specific-purpose committee for supporting the candidate in a primary, general, or special election that exceed:

(1) \$8,000 for each candidate for governor;

(2) \$6,300 for each candidate for a statewide office other than governor;

(3) \$4,600 for each candidate for the senate; and

(4) \$3,100 for each candidate for the house of representatives.

(b) A general-purpose committee may not make political contributions to a candidate, officeholder, or specific-purpose committee for supporting or assisting the candidate or officeholder that exceed \$34,500 per year for each candidate or officeholder.

Sec. 253.052. CERTAIN POLITICAL EXPENDITURES INCLUDED IN CONTRIBUTION LIMITS. (a) A political expenditure made by an individual or general-purpose committee in coordination with a candidate or officeholder is a political contribution in support of that candidate or officeholder for purposes of Section 253.051.

(b) For purposes of Subsection (a), a political expenditure is made in coordination with a candidate or officeholder if:

(1) the candidate or officeholder engages in fund-raising for the individual or general-purpose committee making the expenditure;

(2) the candidate or officeholder has family members or high-level staff who are employed by the individual or committee making the expenditure;

(3) the expenditure was made based on information the

candidate or officeholder provided to the individual or committee about the candidate's or officeholder's plans or needs;

(4) the candidate or officeholder and the individual or committee employ one or more of the same consultants; or

(5) the individual or committee republishes or redistributes the candidate's or officeholder's campaign communications.

(c) The commission shall adopt rules to implement this section.

Sec. 253.053. NONPROFIT FUND-RAISING NOT INCLUDED IN CONTRIBUTION LIMITS. The contribution limits established by Section 253.051 do not apply to fund-raising by a candidate or officeholder on behalf of a nonprofit charitable organization, provided that:

(1) the candidate or officeholder does not receive any benefit from the organization; and

(2) the name or office of the candidate or officeholder is not used by the organization.

Sec. 253.054. CONTRIBUTIONS AT POLITICAL FUND-RAISING EVENTS. (a) This section applies only to a fund-raising event intended to benefit a candidate, officeholder, or specific-purpose committee for supporting or assisting the candidate or officeholder and that is hosted by a person other than the candidate, officeholder, or committee.

(b) A person who collects contributions at a fund-raising event to which this section applies shall report to the commission:

(1) the amount of each contribution and the name,

1 address, occupation, and employer of each individual who made a
2 contribution;

3 (2) the date the fund-raising event occurred;

4 (3) the total amount of contributions collected at the
5 fund-raising event;

6 (4) the name of each candidate, officeholder, or
7 specific-purpose committee to which contributions collected at the
8 event were presented;

9 (5) the amount of contributions presented to each
10 candidate, officeholder, or committee after the event; and

11 (6) any other information the commission requires.

12 (c) A contribution that is collected from an individual at a
13 fund-raising event to which this section applies and presented to a
14 candidate or specific-purpose committee for supporting the
15 candidate is a campaign contribution made by the individual for
16 purposes of Section 253.051(a).

17 (d) The commission shall prescribe a form for a report
18 required under this section.

19 Sec. 253.055. ADJUSTMENT FOR INFLATION. Not later than
20 December 1 of each year, the commission shall increase the
21 political contribution limits established by Section 253.051 by the
22 amount that results from applying the inflation rate, as determined
23 by the comptroller on the basis of the increase, if any, in the
24 Consumer Price Index for All Urban Consumers published by the
25 Bureau of Labor Statistics of the United States Department of
26 Labor, to the current contribution limits. The adjusted
27 contribution limits will be effective for the calendar year

following the adjustment.

Sec. 253.056. OFFENSE: EXCESSIVE CONTRIBUTION. (a) A person commits an offense if the person knowingly makes contributions in violation of Section 253.051 that exceed the limitations provided by that section by \$2,000 or more during a calendar year.

(b) Except as provided by Subsection (c), an offense under this section is a misdemeanor punishable by:

(1) a fine not to exceed:

(A) \$100,000 for an individual; or

(B) \$200,000 for a general-purpose committee;

(2) confinement in jail for a term not to exceed one year; or

(3) both the fine and confinement.

(c) If the contributions made in violation of Section 253.051 exceed the limitations provided by that section by \$25,000 or more during a calendar year, an offense under this section is a felony punishable by:

(1) a fine not to exceed:

(A) \$250,000 for an individual; or

(B) \$500,000 for a general-purpose committee;

(2) imprisonment in the Texas Department of Criminal Justice for any term of not more than five years; or

(3) both the fine and imprisonment.

SECTION 5. Not later than December 1, 2023, the Texas Ethics Commission shall adopt rules and prescribe forms as necessary to implement Subchapter C, Chapter 253, Election Code, as added by

1 this Act.

2 SECTION 6. The changes in law made by this Act apply only to
3 a contribution or expenditure made on or after the effective date of
4 this Act. A contribution or expenditure made before the effective
5 date of this Act is governed by the law in effect on the date the
6 contribution or expenditure was made, and the former law is
7 continued in effect for that purpose.

8 SECTION 7. This Act takes effect January 1, 2024.