

BILL ANALYSIS

S.B. 2781
By: Birdwell
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

In 2019, the 86th Legislature enacted a law which restricted former members of the legislature from engaging in activities that require them to register as lobbyists if they have made a political contribution using campaign funds in the past two years. The bill sponsor has informed the committee that the law is meant to prevent a situation where, for example, a lawmaker spreads campaign contributions around to colleagues, steps down or loses reelection, and then goes to lobby those same colleagues a short time later. The bill sponsor has also informed the committee that in 2023, the Texas Ethics Commission (TEC) issued an opinion that a former member registered to lobby could face fines of \$5,000 or triple "the amount at issue" for a violation of the law and that the TEC left "the amount at issue" undefined at the time of the opinion, but left it to their own discretion, which could result in exorbitant fines. S.B. 2781 seeks to address this issue by establishing that, if a former member utilizes their campaign account for political contributions and expenditures during the two-year moratorium, the member is subject to a civil penalty in an amount not to exceed twice the amount of the contribution or expenditure.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 2781 amends the Election Code to establish that a person who violates statutory provisions governing the restriction of certain political contributions and expenditures by lobbyists is subject to a civil penalty in an amount not to exceed twice the amount of the contribution or expenditure made or authorized in violation of those provisions. The bill also establishes that a person who violates statutory provisions governing the prohibition on lobbying by a person making or authorizing certain political contributions and direct campaign expenditures is subject to a civil penalty in an amount not to exceed twice the amount of all contributions or expenditures described by those provisions made or authorized by the person in the two years preceding the date on which those activities occurred.

S.B. 2781 applies only to a violation that occurs on or after the bill's effective date. A violation that occurs before the bill's effective date is governed by the law in effect on the date the violation occurred, and the former law is continued in effect for that purpose.

EFFECTIVE DATE

September 1, 2025.