

By: Tepper

H.B. No. 1804

A BILL TO BE ENTITLED

1 AN ACT
2 relating to compliance with the filing requirements of certain
3 reports of political contributions and expenditures, including as a
4 qualification for public elective office; providing an
5 administrative penalty.

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

7 SECTION 1. Subchapter A, Chapter 141, Election Code, is
8 amended by adding Section 141.005 to read as follows:

9 Sec. 141.005. FAILURE TO FILE CERTAIN FINANCIAL REPORTS:
10 INELIGIBILITY AS CANDIDATE OR OFFICEHOLDER. (a) This section
11 applies only to a report that is required to be filed under:

- 12 (1) Chapter 254;
13 (2) Subchapter B, Chapter 572, Government Code;
14 (3) Chapter 145, Local Government Code; or
15 (4) Chapter 159, Local Government Code.

16 (b) A person is ineligible to be a candidate for or to hold a
17 public office if the person fails to file a report to which this
18 section applies before the 14th day after the date the report is
19 due.

20 (c) If a person fails to file a report to which this section
21 applies by the date the report is due, the authority with whom the
22 report is required to be filed may provide to the person written
23 notice of:

- 24 (1) the person's failure to file the report; and

1 (2) the date by which the person must file the report
2 before the person is declared ineligible as provided by Section
3 145.003 to be a candidate for or to hold a public office.

4 (d) An authority with whom a report to which this section
5 applies is required to be filed shall provide written notice of each
6 person who fails to file the report before the 14th day after the
7 date the report is due to the appropriate authority under Section
8 145.003 or, if a certificate of election has been issued, to the
9 appropriate authority for acting on a resignation or declination
10 relating to the office to which the person sought election. The
11 notice must be delivered not later than the 20th day after the date
12 the report is due. On receipt of the notice, the appropriate
13 authority shall declare the person ineligible.

14 SECTION 2. Subchapter B, Chapter 254, Election Code, is
15 amended by adding Section 254.04015 to read as follows:

16 Sec. 254.04015. MONITORING AVAILABILITY OF CERTAIN REPORTS
17 ON INTERNET; ADMINISTRATIVE PENALTY. (a) The commission shall
18 develop procedures for monitoring the Internet websites of each
19 political subdivision that is required to make a report available
20 on the political subdivision's Internet website under Section
21 254.0401(b) to ensure the political subdivision is in substantial
22 compliance with that requirement.

23 (b) The commission may assess an administrative penalty in
24 an amount not to exceed \$5,000 against a political subdivision that
25 is not in substantial compliance with the requirement described by
26 Subsection (a). Each day a political subdivision is not in
27 substantial compliance with that requirement constitutes a

1 separate violation for purposes of imposing an administrative
2 penalty under this subsection.

3 (c) The commission shall adopt rules as necessary to
4 implement this section, including rules defining the meaning of
5 substantial compliance for purposes of this section.

6 SECTION 3. Subtitle C, Title 5, Local Government Code, is
7 amended by adding Chapter 181 to read as follows:

8 CHAPTER 181. JUDICIAL REMOVAL OF CERTAIN PUBLIC OFFICERS

9 Sec. 181.001. APPLICABILITY. This chapter applies only to
10 a public officer who is required to file a report under:

- 11 (1) Chapter 254, Election Code;
12 (2) Subchapter B, Chapter 572, Government Code;
13 (3) Chapter 145; or
14 (4) Chapter 159.

15 Sec. 181.002. GROUNDS FOR REMOVAL. In addition to any other
16 law under which the officer may be removed, a public officer to whom
17 this chapter applies may be removed from office if the officer is
18 ineligible to hold the office under Section 141.005, Election Code.

19 Sec. 181.003. PROCEDURES FOR REMOVAL. A public officer to
20 whom this chapter applies may be removed from office under this
21 chapter using the same procedures for removing a county officer
22 under Subchapter B, Chapter 87.

23 SECTION 4. Section 141.005, Election Code, as added by this
24 Act, applies only to the eligibility of a person to be a candidate
25 for an office for which an application for a place on the ballot is
26 required to be filed on or after January 1, 2026.

27 SECTION 5. The changes in law made by this Act apply only to

1 a report under Chapter 254, Election Code, that is required to be
2 filed on or after the effective date of this Act. A report under
3 that chapter that is required to be filed before the effective date
4 of this Act is governed by the law in effect on the date the report
5 is required to be filed, and the former law is continued in effect
6 for that purpose.

7 SECTION 6. (a) Not later than December 1, 2025, the Texas
8 Ethics Commission shall adopt rules as required by Section
9 254.04015, Election Code, as added by this Act.

10 (b) Notwithstanding Section 254.04015, Election Code, as
11 added by this Act, a political subdivision is not subject to an
12 administrative penalty under that section before January 1, 2026.

13 SECTION 7. This Act takes effect September 1, 2025.