

By: Leo Wilson

H.B. No. 2981

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to prohibiting contributions, expenditures, and related  
3 activities involving a specific-purpose committee for supporting  
4 or opposing a ballot measure; creating a criminal offense;  
5 providing a civil penalty.

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

7 SECTION 1. Section 51.014(a), Civil Practice and Remedies  
8 Code, is amended to read as follows:

9 (a) A person may appeal from an interlocutory order of a  
10 district court, county court at law, statutory probate court, or  
11 county court that:

12 (1) appoints a receiver or trustee;

13 (2) overrules a motion to vacate an order that  
14 appoints a receiver or trustee;

15 (3) certifies or refuses to certify a class in a suit  
16 brought under Rule 42 of the Texas Rules of Civil Procedure;

17 (4) grants or refuses a temporary injunction or grants  
18 or overrules a motion to dissolve a temporary injunction as  
19 provided by Chapter 65;

20 (5) denies a motion for summary judgment that is based  
21 on an assertion of immunity by an individual who is an officer or  
22 employee of the state or a political subdivision of the state;

23 (6) denies a motion for summary judgment that is based  
24 in whole or in part upon a claim against or defense by a member of

1 the electronic or print media, acting in such capacity, or a person  
2 whose communication appears in or is published by the electronic or  
3 print media, arising under the free speech or free press clause of  
4 the First Amendment to the United States Constitution, or Article  
5 I, Section 8, of the Texas Constitution, or Chapter 73;

6 (7) grants or denies the special appearance of a  
7 defendant under Rule 120a, Texas Rules of Civil Procedure, except  
8 in a suit brought under the Family Code;

9 (8) grants or denies a plea to the jurisdiction by a  
10 governmental unit as that term is defined in Section 101.001;

11 (9) denies all or part of the relief sought by a motion  
12 under Section 74.351(b), except that an appeal may not be taken from  
13 an order granting an extension under Section 74.351;

14 (10) grants relief sought by a motion under Section  
15 74.351(1);

16 (11) denies a motion to dismiss filed under Section  
17 90.007;

18 (12) denies a motion to dismiss filed under Section  
19 27.003;

20 (13) denies a motion for summary judgment filed by an  
21 electric utility regarding liability in a suit subject to Section  
22 75.0022;

23 (14) denies a motion filed by a municipality with a  
24 population of 500,000 or more in an action filed under Section  
25 54.012(6) or 214.0012, Local Government Code;

26 (15) makes a preliminary determination on a claim  
27 under Section 74.353;

1 (16) overrules an objection filed under Section  
2 148.003(d) or denies all or part of the relief sought by a motion  
3 under Section 148.003(f); [~~or~~]

4 (17) grants or denies a motion for summary judgment  
5 filed by a contractor based on Section 97.002; or

6 (18) makes a determination of probable cause under  
7 Section 253.206(b), Election Code.

8 SECTION 2. Chapter 252, Election Code, is amended by adding  
9 Section 252.0033 to read as follows:

10 Sec. 252.0033. CONTENTS OF APPOINTMENT BY SPECIFIC-PURPOSE  
11 COMMITTEE FOR SUPPORTING OR OPPOSING BALLOT MEASURE. In addition  
12 to the information required by Section 252.002, a campaign  
13 treasurer appointment by a specific-purpose committee for  
14 supporting or opposing a ballot measure must include an affidavit  
15 certifying that the committee did not receive direct or indirect  
16 funding from a foreign national, as defined by Section 253.201,  
17 for:

18 (1) conducting a poll or focus group on the ballot  
19 measure;

20 (2) drafting sample ballot measure language;

21 (3) making telephone calls in relation to the ballot  
22 measure; or

23 (4) travel expenses incurred in relation to the ballot  
24 measure.

25 SECTION 3. Chapter 253, Election Code, is amended by adding  
26 Subchapter G to read as follows:

1 SUBCHAPTER G. RESTRICTIONS ON CONTRIBUTIONS, EXPENDITURES, AND  
2 RELATED ACTIVITIES INVOLVING SPECIFIC-PURPOSE COMMITTEE FOR  
3 SUPPORTING OR OPPOSING BALLOT MEASURE

4 Sec. 253.201. DEFINITIONS. In this subchapter:

5 (1) "Directly or indirectly" means, with respect to an  
6 act by a person, the person acting alone or jointly with, through,  
7 or on behalf of another person.

8 (2) "Foreign national" means:

9 (A) an individual who is not a United States  
10 citizen or national;

11 (B) a government of a foreign country or of a  
12 political subdivision of a foreign country;

13 (C) a foreign political party;

14 (D) a person that is organized under the law of or  
15 has the person's principal place of business in a foreign country;  
16 and

17 (E) a person that is wholly or primarily owned by  
18 a person described by Paragraph (A), (B), (C), or (D).

19 Sec. 253.202. APPLICABILITY. (a) This subchapter applies  
20 only to a specific-purpose committee for supporting or opposing a  
21 ballot measure.

22 (b) For purposes of this subchapter, a prohibition under  
23 this chapter related to contributions and expenditures by a foreign  
24 national that is a person wholly or primarily owned by a person  
25 described by Section 253.201(2)(A), (B), (C), or (D) does not apply  
26 if:

27 (1) the contribution or expenditure is derived

1 entirely from money generated in the United States; and

2 (2) each decision related to the contribution or  
3 expenditure, other than a decision on setting overall contribution  
4 or expenditure budget amounts, is made by an individual who is a  
5 United States citizen or national.

6 Sec. 253.203. PROHIBITED CONTRIBUTIONS AND EXPENDITURES;  
7 AFFIRMATION REQUIRED. (a) A specific-purpose committee may not  
8 knowingly and directly or indirectly:

9 (1) solicit or accept a contribution from a foreign  
10 national;

11 (2) solicit or accept a contribution from a person  
12 that in the four years preceding the date on which the contribution  
13 is made knowingly accepted money from foreign nationals for a  
14 political purpose that in the aggregate exceeds \$100,000;

15 (3) make an expenditure to a foreign national; or

16 (4) solicit a foreign national to make an expenditure  
17 on the committee's behalf.

18 (b) On receipt of a contribution by a specific-purpose  
19 committee, the committee shall obtain from the person making the  
20 contribution a written affirmation that the person:

21 (1) is not a foreign national; and

22 (2) has not in the four years preceding the date on  
23 which the contribution is made knowingly accepted money from  
24 foreign nationals for a political purpose that in the aggregate  
25 exceeds \$100,000.

26 Sec. 253.204. PROHIBITED CONDUCT BY FOREIGN NATIONALS  
27 RELATED TO CONTRIBUTIONS AND EXPENDITURES. (a) A foreign national

1 may not direct, dictate, control, or directly participate in a  
2 person's decision-making process with regard to influencing a  
3 ballot measure, including the person's decision to make a  
4 contribution or expenditure to influence a ballot measure.

5 (b) A foreign national may not directly or indirectly  
6 solicit the making by a person of a donation, contribution, or  
7 expenditure to influence a ballot measure.

8 Sec. 253.205. RECORDKEEPING AND CERTIFICATION REQUIREMENTS  
9 RELATED TO CERTAIN CONTRIBUTIONS AND EXPENDITURES; CRIMINAL  
10 OFFENSE. (a) A person that makes a contribution or an expenditure  
11 to support or oppose a specific-purpose committee shall maintain a  
12 record of the contribution or expenditure until the second  
13 anniversary of the date the contribution or expenditure is made.

14 (b) Not later than 48 hours after a person makes an  
15 expenditure to support or oppose a ballot measure, the person shall  
16 certify to the commission, in the form and manner the commission  
17 requires, that the person:

18 (1) has not in the four years preceding the date on  
19 which the expenditure is made knowingly accepted money from foreign  
20 nationals for a political purpose that in the aggregate exceeds  
21 \$100,000; and

22 (2) will not for the remainder of the year during which  
23 the ballot measure will appear on the ballot knowingly accept money  
24 from foreign nationals for a political purpose that in the  
25 aggregate exceeds \$100,000.

26 (c) A person commits an offense if the person violates this  
27 section. An offense under this section is a Class B misdemeanor.

1       Sec. 253.206. ENFORCEMENT. (a) The commission may bring a  
2 civil action to enforce this subchapter.

3       (b) Before discovery in an action brought under this  
4 section, the court must hold a hearing to determine if there is  
5 probable cause to believe that a person has violated this  
6 subchapter.

7       (c) If, after the hearing required by Subsection (b), the  
8 court determines that:

9           (1) probable cause does not exist to believe that a  
10 violation of this subchapter occurred, the court shall dismiss the  
11 action with prejudice; or

12           (2) probable cause exists to believe that a violation  
13 of this subchapter occurred, the court shall:

14                   (A) enter an order stating the court's findings;

15                   (B) resume the action; and

16                   (C) cause the action to be expedited.

17       (d) After an affirmative finding under Subsection (c), a  
18 defendant may, at a time determined by the court and before the  
19 scheduling of a trial date, present evidence sufficient to rebut  
20 the probable cause finding by making an ex parte presentation of  
21 records to the court for in camera review.

22       (e) If the court determines that a specific-purpose  
23 committee has accepted a contribution in violation of this  
24 subchapter, the committee shall, not later than the 30th day after  
25 the date of the court's determination, return to the person who made  
26 the contribution the contribution accepted in violation of this  
27 subchapter. If either party appeals the court's determination, the

1 court shall order the contribution at issue to be placed in escrow  
2 pending the outcome of the appeal.

3 (f) If a specific-purpose committee that was determined to  
4 have accepted a contribution in violation of this subchapter is  
5 unable to return all or part of the contribution as required by  
6 Subsection (e), the committee's directors, officers, and executive  
7 members are jointly and severally liable for returning the  
8 remaining part of the contribution.

9 (g) A person who violates this subchapter is liable for a  
10 civil penalty in an amount not to exceed twice the amount of the  
11 contribution accepted or expenditure made in violation of this  
12 subchapter.

13 Sec. 253.207. PROHIBITED DISCLOSURE OF CERTAIN DONORS;  
14 CRIMINAL OFFENSE. (a) In this section, "nonprofit organization"  
15 means an organization exempt from federal income taxation under  
16 Section 501(a), Internal Revenue Code of 1986, as an organization  
17 described by Section 501(c)(3) of that code.

18 (b) An investigation of an alleged violation of this  
19 subchapter must be conducted in a manner to ensure that the identity  
20 of a person who makes a lawful donation to a nonprofit organization  
21 is kept confidential. The commission or a court may not compel the  
22 disclosure of the identity of a person who makes a lawful donation  
23 to a nonprofit organization unless the disclosure is directly  
24 related to an alleged violation of this subchapter.

25 (c) A government official may not disclose the identity of a  
26 person who makes a lawful donation to a nonprofit organization  
27 unless the person is determined to have violated this subchapter.



1 (d) A person commits an offense if the person violates this  
2 section. An offense under this section is a Class B misdemeanor.

3 Sec. 253.208. EFFECT OF VIOLATION ON PERSONS ENGAGED IN  
4 LOBBYING. (a) A person who is determined to have violated this  
5 subchapter may not engage in activities that would require  
6 registration as a lobbyist under Chapter 305, Government Code, for  
7 two years from the date of the determination.

8 (b) A person who is determined to have violated this  
9 subchapter and who on the date of the determination is registered as  
10 a lobbyist under Chapter 305, Government Code, may not engage in  
11 activities for two years from the date of the expiration of the  
12 person's registration under that chapter.

13 SECTION 4. Subchapter E, Chapter 254, Election Code, is  
14 amended by adding Section 254.131 to read as follows:

15 Sec. 254.131. ADDITIONAL CONTENTS OF REPORTS OF COMMITTEES  
16 SUPPORTING OR OPPOSING BALLOT MEASURE. (a) In this section,  
17 "foreign national" has the meaning assigned by Section 253.201.

18 (b) In addition to the contents required by Section 254.031,  
19 the campaign treasurer of a specific-purpose committee for  
20 supporting or opposing a ballot measure must include an affirmation  
21 that:

22 (1) the committee did not knowingly:

23 (A) solicit or accept a contribution from a  
24 foreign national;

25 (B) make an expenditure to a foreign national; or

26 (C) solicit a foreign national to make an  
27 expenditure on the committee's behalf; and

1           (2) no contribution included in the report was made  
2 by:

3                   (A) a foreign national; or

4                   (B) a person that in the four years preceding the  
5 date on which the contribution is made knowingly accepted money  
6 from foreign nationals for a political purpose that in the  
7 aggregate exceeds \$100,000.

8           SECTION 5. The changes in law made by this Act to Chapters  
9 252 and 254, Election Code, apply only to a campaign treasurer  
10 appointment required to be filed under Chapter 252 or a report  
11 required to be filed under Chapter 254 on or after the effective  
12 date of this Act. A campaign treasurer appointment or report  
13 required to be filed before the effective date of this Act is  
14 governed by the law in effect at the time the appointment or report  
15 was filed, and the former law is continued in effect for that  
16 purpose.

17           SECTION 6. Subchapter G, Chapter 253, Election Code, as  
18 added by this Act, applies only to a contribution or expenditure  
19 made or an activity related to the making of a contribution or  
20 expenditure that occurs on or after the effective date of this Act.  
21 A contribution or expenditure made or a related activity that  
22 occurs before the effective date of this Act is governed by the law  
23 in effect at the time the contribution or expenditure was made or  
24 the activity occurred, and the former law is continued in effect for  
25 that purpose.

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