

By: Cook, Geren, Harless

H.B. No. 37

Substitute the following for H.B. No. 37:

By: Harless

C.S.H.B. No. 37

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the reporting of certain contributions and political
3 expenditures by certain persons; adding provisions subject to a
4 criminal penalty.

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

6 SECTION 1. Section 254.261, Election Code, is amended by
7 adding Subsection (e) to read as follows:

8 (e) This section does not apply to a person to whom
9 Subchapter K applies.

10 SECTION 2. Chapter 254, Election Code, is amended by adding
11 Subchapter K to read as follows:

12 SUBCHAPTER K. REPORTING BY CERTAIN PERSONS WHO ARE NOT POLITICAL
13 COMMITTEES

14 Sec. 254.281. DEFINITIONS. In this subchapter:

15 (1) "Contribution" has the meaning assigned by Section
16 251.001 and includes dues and gifts, except that the term does not
17 include a commercial transaction involving the transfer for
18 consideration of anything of value pursuant to a contract or
19 agreement that reflects the usual and normal business practice of
20 an industry.

21 (2) "Contribution in connection with campaign
22 activity" means a contribution from a donor to a person or group
23 that, at the time that the donor makes the contribution, the donor
24 knows or has reason to know may be used to make a political

1 contribution or political expenditure or may be commingled with
2 other funds used to make a political contribution or political
3 expenditure. A donor who signs a statement indicating that the
4 donor's contribution to the person or group may not be used to make
5 a political contribution or political expenditure does not have
6 reason to know that the donor's contribution may be used to make a
7 political contribution or political expenditure.

8 (3) "Donor" means a person who makes a contribution to
9 a person or group to whom this subchapter applies, regardless of
10 whether the person making the contribution is a member of the person
11 or group that accepts the contribution.

12 Sec. 254.282. APPLICABILITY OF SUBCHAPTER. This subchapter
13 applies only to a person or group that:

14 (1) is not a political committee;

15 (2) accepts one or more contributions in connection
16 with campaign activity from a person that in the aggregate exceed
17 \$2,000 during a reporting period; and

18 (3) makes one or more political expenditures,
19 excluding expenditures authorized by Sections [253.098](#), [253.099](#),
20 [253.100](#), and [253.104](#), that in the aggregate exceed \$25,000 during a
21 calendar year.

22 Sec. 254.283. REPORTING REQUIREMENTS. (a) Except as
23 otherwise provided by this subchapter, a person or group shall
24 comply with this chapter as if the person or group were the campaign
25 treasurer of a general-purpose committee that does not file monthly
26 reports under Section [254.155](#).

27 (b) A person or group is not required to file a campaign

1 treasurer appointment for accepting contributions or making
2 political expenditures for which reporting is required under this
3 subchapter, unless the person or group is otherwise required to
4 file a campaign treasurer appointment under this title.

5 (c) A person or group is not required to file a report under
6 this subchapter if:

7 (1) the person or group is required to disclose the
8 contributions and political expenditures in another report
9 required under this title within the time applicable under this
10 subchapter for reporting the contributions and political
11 expenditures; or

12 (2) no reportable activity occurs during the reporting
13 period.

14 Sec. 254.284. CONTENTS OF REPORT. (a) Disclosure of a
15 contribution as provided by Sections [254.031](#) and [254.151](#) is
16 required in a report under this subchapter only if:

17 (1) the contribution is a contribution in connection
18 with campaign activity; and

19 (2) the aggregate amount of contributions in
20 connection with campaign activity accepted from a person exceeds
21 \$2,000 during the reporting period.

22 (b) A report required under this subchapter is not required
23 to include:

24 (1) any contributions accepted by the person or group
25 that are not contributions in connection with campaign activity;

26 (2) the total amount of unitemized political
27 contributions accepted by the person or group;

1 (3) the total amount of political contributions
2 maintained by the person or group;

3 (4) any expenditures made by the person or group that
4 are not political expenditures;

5 (5) the total amount of unitemized political
6 expenditures made by the person or group; or

7 (6) the principal amount of all of the person's or
8 group's outstanding loans.

9 (c) The first report required to be filed in a calendar year
10 in which the \$2,000 or \$25,000 threshold under Section 254.282 is
11 exceeded must include all contributions in connection with campaign
12 activity accepted from a person that in the aggregate exceed \$2,000
13 and all political expenditures made in the 12 months immediately
14 preceding the acceptance of the contribution in connection with
15 campaign activity or the making of the political expenditure that
16 triggers the reporting requirements of this subchapter and not
17 previously reported as required under this subchapter.

18 Sec. 254.285. NONREPORTABLE PERSONAL TRAVEL EXPENSE. A
19 contribution consisting of personal travel expense incurred by an
20 individual is not required to be reported under this subchapter if
21 the individual receives no reimbursement for the expense.

22 Sec. 254.286. NONREPORTABLE PERSONAL SERVICE. A
23 contribution consisting of an individual's personal service is not
24 required to be reported under this subchapter if the individual
25 receives no compensation for the service.

26 SECTION 3. Subchapter K, Chapter 254, Election Code, as
27 added by this Act, applies only to the reporting of a contribution

1 in connection with campaign activity or political expenditure made
2 on or after the effective date of this Act. A contribution or
3 expenditure made before the effective date of this Act is governed
4 by the law in effect when the contribution or expenditure was made,
5 and the former law is continued in effect for that purpose.

6 SECTION 4. This Act takes effect September 1, 2015.