1-1 By: Goldman, et al. (Senate Sponsor - Hughes) H.B. No. 2677
1-2 (In the Senate - Received from the House May 6, 2019;
1-3 May 7, 2019, read first time and referred to Committee on State
1-4 Affairs; May 14, 2019, reported favorably by the following vote:
1-5 Yeas 9, Nays 0; May 14, 2019, sent to printer.)

1-6 COMMITTEE VOTE

1-7		Yea	Nay	Absent	PNV
1-8	Huffman	X			
1-9	Hughes	X			
1-10	Birdwell	X			
1-11	Creighton	X			
1-12	Fallon	X			
1-13	Hall	X			
1-14	Lucio	X			
1-15	Nelson	X			
1-16	Zaffirini	X			

1-17 A BILL TO BE ENTITLED AN ACT

1-19

1-20

1-21 1-22 1-23

1-24 1-25

1-26 1-27 1-28 1-29

1**-**30 1**-**31

1-32 1-33

1**-**34 1**-**35

1-36 1-37 1-38 1-39

1-40

1-41

1**-**42 1**-**43

1**-**44 1**-**45

1-46 1-47 1-48

1**-**49 1**-**50

1-51 1-52 1-53 1-54

1-55

1-56 1-57 1-58

1-59

1**-**60 1**-**61 relating to certain restrictions on contributions and expenditures from political funds by a lobbyist.

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

SECTION 1. Subchapter A, Chapter 253, Election Code, is amended by adding Sections 253.006 and 253.007 to read as follows:

Sec. 253.006. CERTAIN CONTRIBUTIONS AND EXPENDITURES BY LOBBYISTS RESTRICTED. Notwithstanding any other provision of law, a person required to register under Chapter 305, Government Code, may not knowingly make or authorize a political contribution or political expenditure that is a political contribution to another candidate, officeholder, or political committee, or direct campaign expenditure, from political contributions accepted by:

(1) the person as a candidate or officeholder;

(2) a specific-purpose committee for the purpose of supporting the person as a candidate or assisting the person as an officeholder; or

(3) a political committee that accepted a political contribution from a source described by Subdivision (1) or (2) during the two-year period immediately before the date the political contribution or expenditure was made.

Sec. 253.007. PROHIBITION ON LOBBYING BY PERSON MAKING OR AUTHORIZING CERTAIN POLITICAL CONTRIBUTIONS AND DIRECT CAMPAIGN EXPENDITURES. (a) In this section, "administrative action," "communicates directly with," "legislation," "member of the executive branch," and "member of the legislative branch" have the meanings assigned by Section 305.002, Government Code.

(b) Notwithstanding any other provision of law and except as provided by Subsection (c), a person who knowingly makes or authorizes a political contribution or political expenditure that is a political contribution to another candidate, officeholder, or political committee, or direct campaign expenditure, from political contributions accepted by the person as a candidate or officeholder may not engage in any activities that require the person to register under Chapter 305, Government Code, during the two-year period after the date the person makes or authorizes the political contribution or direct campaign expenditure.

(c) Subsection (b) does not apply to a person who:

(1) communicates directly with a member of the legislative or executive branch only to influence legislation or administrative action on behalf of:

(A) a nonprofit organization exempt from federal income taxation under Section 501(a), Internal Revenue Code of 1986, as an organization described by Section 501(c)(3) of that

code;

2-2 2-3 2-4

2-6 2-7 2-8 2-9

2**-**10 2**-**11 2-12

2-13 2-14

2**-**15 2**-**16

2-17 2-18

2-19 2**-**20 2**-**21

2-22

2-23

2-24 2**-**25 2**-**26 2-27 2-28

2-29 2-30 2-31 2-32

2-33

2-34 2-35 2-36 2-37 2-38

2-1

a group of low-income individuals; or a group of individuals with disabilities;

and 2-5

(2) does not receive compensation other than reimbursement for actual expenses for engaging in communication described by Subdivision (1).

SECTION 2. Sections 305.029(a) and (b), Government Code,

are amended to read as follows:

- (a) In this section, "candidate," "political contribution," "political committee," [and] "political expenditure," and "specific-purpose committee" have the meanings assigned by Section 251.001, Election Code.
- (b) A registrant, or a person on the registrant's behalf and with the registrant's consent or ratification, [Notwithstanding any other provision of law, a person required to register under this chapter] may not [, at any time following the date the last term for which the person was elected ends,] knowingly make or authorize [, from political contributions accepted by the person as a candidate or officeholder, a political an expenditure required to be reported under this chapter from [that is] a political contribution that was accepted by:

 $\overline{(1)}$  the registrant as a [to another] candidate or  $[\tau]$ 

officeholder;

(2) a specific-purpose committee for the purpose of supporting the registrant as a candidate or assisting the registrant as an officeholder;[7] or

(3) a political committee that accepted a political contribution described by Subdivision (1) or (2) during the two-year period immediately before the date the expenditure was made or authorized by the registrant.

SECTION 3. Sections 253.006 and 253.007, Election Code, as added by this Act, and Section 305.029, Government Code, as amended by this Act, apply to a political contribution, political expenditure, direct campaign expenditure, or lobbying expenditure made on or after September 27, 2019, from funds accepted as a political contribution, regardless of the date the funds were accepted.

SECTION 4. This Act takes effect September 27, 2019.

2-40

2-39

\* \* \* \* \*