

TEXAS ETHICS COMMISSION
P.O. Box 12070, Austin, Texas 78711-2070
(512) 463-5800

Steven D. Wolens, Chair
Chad M. Craycraft, Vice Chair
Randall H. Erben
Chris Flood

Mary K. "Katie" Kennedy
Patrick W. Mizell
Richard S. Schmidt
Joseph O. Slovacek

EXECUTIVE SESSION AGENDA

Date and Time: 1:00 p.m., Thursday, June 27, 2019
Location: Room E1.014, Capitol Extension, Austin, Texas

1. Call to order; roll call.
2. **Executive session pursuant to Section 551.071, Government Code (Consultation with Attorney; Closed Meeting), and Section 551.074, Government Code (Personnel Matters; Closed Meeting).**
3. Discussion of pending litigation to seek legal advice relating to the following:
 - A. Cause No. D-1-GN-17-001878: *Texas Ethics Commission v. Michael Quinn Sullivan*, in the 250th Judicial District Court in Travis County, Texas; Cause No. 03-17-00392-CV: *Michael Quinn Sullivan v. Texas Ethics Commission*, in the Third Court of Appeals at Austin, Texas; and Cause No. 18-0580: *Michael Quinn Sullivan v. Texas Ethics Commission*, in the Supreme Court of Texas.
 - B. Cause No. D-1-GN-14-001252: *Empower Texans, Inc. and Michael Quinn Sullivan v. State of Texas Ethics Commission; Natalia Luna Ashley, in her capacity as Executive Director of the Texas Ethics Commission; Tom Ramsay, individually and in his capacity as Commissioner; et al.*; in the 53rd Judicial District Court of Travis County, Texas; and related case, Cause No. 03-17-00770-CV: *Empower Texans, Inc., and Michael Quinn Sullivan v. Tom Ramsay in his individual capacity, et al.*; in the Third Court of Appeals, Austin, Texas.
 - C. Cause No. D-1-GN-15-004455: *Texas Ethics Commission v. Empower Texans, Inc. and Michael Quinn Sullivan*, in the 345th Judicial District Court of Travis County, Texas; and related case, Cause No. 03-16-00872-CV: *Empower Texans, Inc., and Michael Quinn Sullivan v. Texas Ethics Commission*, in the Third Court of Appeals, Austin, Texas.

For more information, contact Ian M. Steusloff, Interim Executive Director, at (512) 463-5800.

4. **Reconvene in open session.**

5. Adjourn.

CERTIFICATION: I certify that I have reviewed this document and that it conforms to all applicable Texas Register filing requirements. Certifying Official & Agency Liaison: Ian M. Steusloff, Interim Executive Director.

NOTICE: Under the Americans with Disabilities Act, an individual with a disability must have an equal opportunity for effective communication and participation in public meetings. Upon request, the Texas Ethics Commission will provide auxiliary aids and services, such as interpreters for the deaf and hearing impaired, readers, and large print or Braille documents. In determining the type of auxiliary aid or service, the Commission will give primary consideration to the individual's request. Those requesting auxiliary aids or services should notify Margie Castellanos at (512) 463-5800 or RELAY Texas at (800) 735-2989 two days before this meeting so that appropriate arrangements can be made. Please also contact Ms. Castellanos if you need assistance in having English translated into Spanish.

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AGENDA

Date and Time: 3:00 p.m., Thursday, June 27, 2019
Location: Room E1.014, Capitol Extension, Austin, Texas

1. Call to order; roll call.
2. **Formal hearing notice pursuant to Sections 551.002 and 571.139(b), Government Code, Open Meetings Requirement, and Section 12.117, Ethics Commission Rules.** Contested Case Proceeding; In the Matter of Herbert Gears, Respondent. Sworn Complaint No. SC-31709142CI alleges the respondent misrepresented the true source of political advertising in violation of section 255.004 of the Election Code; and did not timely file a direct campaign expenditure report, in violation of sections 254.261 and 254.154 of the Election Code. Sworn Complaint No. SC-31806250CI alleges the respondent did not include his full name in a political advertising disclosure statement, in violation of section 255.001 of the Election Code.
3. Adjourn.

CERTIFICATION: I certify that I have reviewed this document and that it conforms to all applicable Texas Register filing requirements.

Certifying Official & Agency Liaison: Ian M. Steusloff
Interim Executive Director

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PUBLIC MEETING AGENDA

Date and Time:	9:00 a.m., Friday, June 28, 2019
Location:	Room E1.014, Capitol Extension, Austin, Texas

1. Call to order; roll call.
2. Election of Chair and Vice-Chair of the Commission.
3. Discussion regarding dates for next Commission meeting.
4. Approve minutes for the following meetings:
 - Executive Session – March 21, 2019;
 - Public Meeting – March 21, 2019;
 - Executive Session – March 22, 2019; and
 - Public Meeting – March 22, 2019.
5. **Possible executive session pursuant to Section 551.074, Government Code (Personnel Matters):** Discussion of personnel matters specifically related to applicants for, and possible action on an appointment to the position of, Executive Director.
6. **Possible executive session pursuant to Section 551.074, Government Code (Personnel Matters):** Discussion of and possible action on personnel matters specifically related to the salaries of the Executive Director and General Counsel.

ADMINISTRATIVE WAIVERS, REDUCTIONS, APPEALS OF FINES

7. Discussion and possible action on appeals of determinations made under Ethics Commission Rules §§18.25 and 18.26 relating to administrative waiver or reduction of a fine, for the following filers:
 1. Sean O. Russell (00082663)
 2. Philip Sevilla, Campaign Treasurer, Texas Leadership Institute for Public

For more information, contact Ian M. Steusloff, Interim Executive Director, at (512) 463-5800.

- Advocacy (00068542)
 - 3. Wilvin J. Carter (00069795)
 - 4. Tim Mahoney (00081838)
 - 5. Rebeca Martinez (00065774)
 - 6. Warren Blake Baker (00082398)
8. Reports more than 30 days late: Discussion and possible action regarding the imposition of an additional fine on the following filers:

Political Committees

- 1. Mike J. Warner, Treasurer, Texas Plumbers Association (00083188)
- 2. Eric Leonard, Treasurer, Victoria Democrats Club (00067043)
- 3. William Elliot, Jr., Treasurer, Texas Card Players Association Political Action Committee (00065814)

Lobbyist

- 4. James Andrew Campbell, Lobbyist (00035512)

Personal Financial Statements

- 5. Adan D. Arellano (00082424)
- 6. Roberto D. Martinez (00082870)
- 7. Sonya Sanderson (00080916)

Candidates

- 8. Yvette T. Gbalazeh (00081812)
- 9. Joseph G. McElligott (00080621)
- 10. Martina Salinas (00069864)

RULEMAKING

Proposed Rules

- 9. Discussion and possible action on the proposal and publication in the Texas Register of new Ethics Commission Rules §§12.26 and 12.86, regarding the postponement of hearings.
- 10. Discussion and possible action on the proposal and publication in the Texas Register of new Ethics Commission Rule §12.174, regarding the summary disposition of a matter in a formal hearing.

11. Discussion and possible action on the proposal and publication in the Texas Register of an amendment to Ethics Commission Rule §18.21, regarding the jurisdiction to consider a request to waive or reduce a fine assessed for failure to file a timely report or for filing a correction to a report.
12. Discussion and possible action on the proposal and publication in the Texas Register of amendments to the Ethics Commission Rule §18.31, regarding the adjustments of reporting thresholds, and Ethics Commission Rules that are affected by the adoption of an amendment to Ethics Commission Rule §18.31, including §§20.62, 20.65, 20.217, 20.219, 20.220, 20.221, 20.275, 20.279, 20.301, 20.303, 20.313, 20.329, 20.331, 20.333, 20.401, 20.405, 20.431, 20.433, 20.434, 20.435, 20.553, 20.555, 22.1, 22.6, 22.7, 34.41, and 34.43.
13. Discussion and possible action on the proposal and publication in the Texas Register of new Ethics Commission Rules §18.27, regarding the procedures for waiving or reducing fines assessed for corrected reports, and an amendment to Ethics Commission Rules §18.9, regarding corrected and amended reports.

ADVISORY OPINIONS

14. Discussion and possible action regarding procedures for advisory opinion requests received by the Texas Ethics Commission.
15. Advisory Opinion Draft No. SP-14: Whether a public officer may use government resources for political advertising.

This opinion request construes Section 39.02 of the Penal Code and Section 255.003(a) of the Election Code.

16. Advisory Opinion Draft No. SP-17: Regarding the reporting of certain expenditures made for the placement of Internet political advertising.

This opinion construes section 254.035 of the Election Code and section 20.57(b) of the Ethics Commission Rules.

OTHER POLICY MATTERS

17. Discussion regarding per diem applicable to Commission members.
18. Update on legislative action concerning the Commission's budget.

19. Update on legislation affecting the Commission.
20. Discussion of, and possible action on, any unfinished business from the Executive Session or Public Meeting held on June 27, 2019.
21. Adjourn.

CERTIFICATION: I certify that I have reviewed this document and that it conforms to all applicable Texas Register filing requirements. Certifying Official & Agency Liaison: Ian M. Steusloff, Interim Executive Director.

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The draft meeting minutes will be available on our website the day before the meeting, at <https://www.ethics.state.tx.us/DraftMinutes>.

If you would like a copy of the draft minutes, please provide your email address below, and return this sheet to Ethics Commission staff at the meeting.

Email address:

DRAFT 2

EXHIBIT A

Text of Proposed New Rules

The proposed new language is indicated by underlined text.

1 **Subchapter A. GENERAL PROVISIONS AND PROCEDURES**

2 **§12.26. Postponement of Hearing.**

3 (a) The presiding officer shall grant a timely filed motion for continuance to postpone or
4 delay a hearing if:

5 (1) the motion includes the contents required by §12.86, for a preliminary review
6 hearing, or §12.155, for a formal hearing;

7 (2) the motion shows that the continuance is supported by good cause;

8 (3) the movant has not previously requested to postpone or delay the hearing; and

9 (4) the movant affirms that the movant is available to attend the hearing at the next
10 tentatively scheduled commission meeting.

11 (b) The presiding officer may grant a motion for continuance to postpone or delay a hearing
12 that does not meet all of the requirements of §12.26(a) if:

13 (1) the motion includes the contents required by §12.86, for a preliminary review
14 hearing, or §12.155, for a formal hearing; and

15 (2) the motion shows that the continuance is supported by good cause, as defined
16 by §12.26(c)(1)-(4).

17 (c) For purposes of this section, good cause includes:

18 (1) a serious medical emergency or condition or a death that involved the movant or
19 a family member or relative of the movant that reasonably prevents the movant from
20 attending the hearing;

21 (2) verifiable severe weather that reasonably prevents the movant from attending
22 the hearing;

23 (3) the movant is a first responder, as defined in §6.1 of this title (relating to
24 Definitions), deployed to an emergency situation at the time of the hearing;

25 (4) the movant is a member of the military deployed on active duty at the time of
26 the hearing; or

1 (5) an other unforeseeable matter that reasonably prevents the movant or movant's
2 counsel from attending the hearing.

3 Subchapter C. INVESTIGATION AND PRELIMINARY REVIEW

4 §12.86. Motions for Continuance.

5 (a) Contents of a motion for continuance. A request to postpone or delay a preliminary
6 review hearing shall include:

7 (1) a statement of the number of motions for continuance previously filed in the case
8 by each party;

9 (2) the specific reason for the continuance; and

10 (3) whether the movant is available if the hearing is continued to the next tentatively
11 scheduled commission meeting.

12 (b) Date of filing. Motions for continuance shall be filed no later than 21 days before the
13 date of the proceeding or shall state good cause for presenting the motion after that time.
14 If the presiding officer finds good cause has been demonstrated, the presiding officer may
15 consider a motion filed after that time or presented orally at the proceeding.

16 (c) Date of service. Motions for continuance shall be served in accordance with §12.125 of
17 this chapter. However, a motion for continuance that is filed five days or less before the
18 date of the proceeding shall be served:

19 (1) by hand-delivery, fax, or email on the same day it is filed with the commission,
20 if feasible; or

21 (2) if same-day service is not feasible, by overnight delivery on the next business
22 day.

23 (d) Responses to motions for continuance. Responses to motions for continuance shall be
24 in writing, except a response to a motion for continuance made on the date of the
25 proceeding may be presented orally at the proceeding. Unless otherwise ordered or allowed
26 by the presiding officer, responses to motions for continuance shall be made by the earlier
27 of:

28 (1) three days after receipt of the motion; or

29 (2) the date and time of the proceeding.

30 (e) A motion for continuance is not granted until it has been ruled on by the presiding
31 officer, even if the motion is uncontested or agreed. A case is subject to default or dismissal
32 for a party's failure to appear at a scheduled hearing in which a motion for continuance has
33 not been ruled on by the presiding officer, even when the motion is agreed or unopposed.

EXHIBIT A

Text of Proposed New Rules and Amendments

The proposed new language is indicated by underlined text.

1 **§12.174. Summary Disposition.**

2
3 (a) Granting of summary disposition. Summary disposition shall be granted on all or part
4 of a complaint's allegations if the allegations, the motion for summary disposition, and the
5 summary disposition evidence show that there is no genuine issue as to any material fact
6 and that the moving party is entitled to a decision in its favor as a matter of law on all or
7 some of the issues expressly set out in the motion. Summary disposition is not permitted
8 based on the ground that there is no evidence of one or more essential elements of a claim
9 or defense on which the opposing party would have the burden of proof at the formal
10 hearing.

11
12 (b) Deadlines. Unless otherwise ordered by the presiding officer:

13
14 (1) A party may file a motion for summary disposition at any time after the
15 commission orders a formal hearing, but the motion must be filed at least 45 days
16 before a scheduled hearing on the merits.

17
18 (2) The response and opposing summary disposition evidence shall be filed no later
19 than 15 days after the filing of the motion.

20
21 (c) Contents of Motion. A motion for summary disposition shall include the contents listed
22 below. A motion may be denied for failure to comply with these requirements.

23
24 (1) The motion shall state the specific issues upon which summary disposition is
25 sought and the specific grounds justifying summary disposition.

26
27 (2) The motion shall also separately state all material facts upon which the motion
28 is based. Each material fact stated shall be followed by a clear and specific reference
29 to the supporting summary disposition evidence.

30
31 (3) The first page of the motion shall contain the following statement in at least 12-
32 point, bold-face type: "Notice to parties: This motion requests the commission to

1 decide some or all of the issues in this case without holding an evidentiary hearing
2 on the merits. You have 15 days after the filing of the motion to file a response. If
3 you do not file a response, this case may be decided against you without an
4 evidentiary hearing on the merits.

5
6 (d) Responses to motions.

7
8 (1) A party may file a response and summary disposition evidence to oppose a
9 motion for summary disposition.

10
11 (2) The response shall include all arguments against the motion for summary
12 disposition, any objections to the form of the motion, and any objections to the
13 summary disposition evidence offered in support of the motion.

14
15 (e) Summary disposition evidence.

16
17 (1) Summary disposition evidence may include deposition transcripts; interrogatory
18 answers and other discovery responses; pleadings; admissions; affidavits; materials
19 obtained by discovery; matters officially noticed; stipulations; authenticated or
20 certified public, business, or medical records; and other admissible evidence. No
21 oral testimony shall be received at a hearing on a motion for summary disposition.

22
23 (2) Summary disposition may be based on uncontroverted written testimonial
24 evidence of an interested witness, or of an expert witness as to subject matter
25 concerning which the presiding officer must be guided solely by the opinion
26 testimony of experts, if the evidence is clear, positive and direct, otherwise credible
27 and free from contradictions and inconsistencies, and could have been readily
28 controverted.

29
30 (3) All summary disposition evidence offered in support of or in opposition to a
31 motion for summary disposition shall be filed with the motion or response. Copies
32 of relevant portions of materials obtained by discovery that are relied upon to
33 support or oppose a motion for summary disposition shall be included in the
34 summary disposition evidence.

35
36 (f) Proceedings on motions.

1 (1) The presiding officer may order a hearing on a motion for summary disposition
2 and the commission may rule on the motion without a hearing.

3
4 (2) The affirmative vote of six commissioners is necessary to grant summary
5 disposition finding a violation by a preponderance of the evidence.

6
7 (3) If summary disposition is granted on all contested issues in a case, the record
8 shall close on the date ordered by the presiding officer or on the later of the filing
9 of the last summary disposition arguments or evidence, the date the summary
10 disposition response was due, or the date a hearing was held on the motion. The
11 commission shall issue a final decision and written report, including a statement of
12 reasons, findings of fact, and conclusions of law in support of the summary
13 disposition rendered.

14
15 (4) If summary disposition is granted on some but not all of the contested issues in
16 a case, the commission shall not take evidence or hear further argument upon the
17 issues for which summary disposition has been granted. The commission shall issue
18 an order:

19
20 (A) specifying the facts about which there is no genuine issue;

21
22 (B) specifying the issues for which summary disposition has been
23 granted; and

24
25 (C) directing further proceedings as necessary. If an evidentiary hearing
26 is held on the remaining issues, the facts and issues resolved by summary
27 disposition shall be deemed established, and the hearing shall be
28 conducted accordingly. After the evidentiary hearing is concluded, the
29 commission shall include in the final decision a statement of reasons,
30 findings of fact, and conclusions of law in support of the partial summary
31 disposition rendered.

EXHIBIT A

Text of Proposed New Rules and Amendments

The proposed new language is indicated by underlined text.

1 **Chapter 18. GENERAL RULES CONCERNING REPORTS**

2 **§18.21. Jurisdiction to Consider Waiver Request.**

3 (a) A filer must file a complete report before the executive director or commission will
4 consider a request to waive or reduce a fine assessed for failure to file a timely report.

5 (b) A request to waive or reduce a fine assessed for failure to file a timely report or for
6 filing a correction to a report will not be considered after an action to collect the fine is
7 filed in court.

EXHIBIT A

Text of Proposed New Rules and Amendments

The proposed new language is indicated by underlined text.

The deleted language is indicated by [~~striketrough~~] text.

1 **Chapter 18. GENERAL RULES CONCERNING REPORTS**

2 **§18.31. Adjustments to Reporting Thresholds.**

3 (a) Pursuant to section 571.064 of the Government Code, the reporting thresholds are
4 adjusted as follows:

Campaign Finance Reports: Section of Election Code	Threshold Description	Original Threshold Amount	Adjusted Amount
...
<u>253.032(a)</u>	<u>Threshold of contributions accepted from an out-of-state political committee above which a certain written statement or a statement of organization is required</u>	<u>\$500</u>	<u>\$900</u>
<u>253.032(a)(1)</u>	<u>Threshold of contributions to an out-of-state political committee above which certain information regarding contributions must be included in the written statement required under section 253.032(a), Election Code</u>	<u>\$100</u>	<u>\$180</u>
<u>253.032(e)</u>	<u>Threshold of contributions accepted from an out-of-state political committee at or below which certain information or a statement of organization must be included in a report</u>	<u>\$500</u>	<u>\$900</u>
254.156(2)	Threshold at which <u>contribution</u> [contribution, loan, and expenditure] information	\$20	\$40

	for MPACs qualifying under section 254.1541 is set to \$20		
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1 **Chapter 20. REPORTING POLITICAL CONTRIBUTIONS AND**
2 **EXPENDITURES**

3 **Subchapter C. REPORTING REQUIREMENTS FOR A CANDIDATE**

4 **§20.62. Reporting Staff Reimbursement.**

5 (a) Political expenditures made out of personal funds by a staff member of an officeholder,
6 a candidate, or a political committee with the intent to seek reimbursement from the
7 officeholder, candidate, or political committee that in the aggregate do not exceed \$6,130
8 [~~\$5,000~~] during the reporting period may be reported as follows IF the reimbursement
9 occurs during the same reporting period that the initial expenditure was made:

10 (1) the amount of political expenditures that in the aggregate exceed \$180 [~~\$100~~]
11 and that are made during the reporting period, the full name and address of the
12 persons to whom the expenditures are made and the dates and purposes of the
13 expenditures; and

14 (2) included with the total amount or a specific listing of the political expenditures
15 of \$180 [~~\$100~~] or less made during the reporting period.

16 (b) Except as provided by subsection (a) of this section, a political expenditure made out
17 of personal funds by a staff member of an officeholder, a candidate, or a political committee
18 with the intent to seek reimbursement from the officeholder, candidate, or political
19 committee must be reported as follows:

20 (1) the aggregate amount of the expenditures made by the staff member as of the
21 last day of the reporting period is reported as a loan to the officeholder, candidate,
22 or political committee;

23 (2) the expenditure made by the staff member is reported as a political expenditure
24 by the officeholder, candidate, or political committee; and

25 (3) the reimbursement to the staff member to repay the loan is reported as a political
26 expenditure by the officeholder, candidate, or political committee.

27 [~~(c) The \$100 threshold set out in subsection (a) of this section applies to an expenditure~~
28 ~~required to be disclosed on a report due on or after September 28, 2011.~~]

1 **§20.65. Reporting No Activity.**

2 (a) As a general rule, a candidate or officeholder must file a report required by Subchapter
3 C of this chapter (relating to Reporting Requirements for a Candidate) or Subchapter D of
4 this chapter (relating to Reporting Requirements for an Officeholder Who Does Not Have
5 a Campaign Treasurer Appointment on File) even if there has been no reportable activity
6 during the period covered by the report.

7 (b) This general rule does not apply to:

8 (1) special pre-election reports;

9 (2) special session reports; or

10 (3) a local officeholder who does not have a campaign treasurer appointment on file
11 and who does not accept more than \$900 [~~\$500~~] in political contributions or make
12 more than \$900 [~~\$500~~] in political expenditures during the reporting period.

13 (c) If a required report will disclose that there has been no reportable activity during the
14 reporting period, the filer shall submit only those pages of the report necessary to identify
15 the filer and to swear to the lack of reportable activity.

16 **§20.217. Modified Reporting.**

17 (a) An opposed candidate who does not intend to accept more than \$900 [~~\$500~~] in political
18 contributions or make more than \$900 [~~\$500~~] in political expenditures (excluding filing
19 fees) in connection with any election in an election cycle may choose to file under the
20 modified schedule.

21 (b) Under the modified schedule, an opposed candidate is not required to file pre-election
22 reports or a runoff report.

23 (c) To select modified filing, a candidate must file a declaration of intent not to accept more
24 than \$900 [~~\$500~~] in political contributions or make more than \$900 [~~\$500~~] in political
25 expenditures (excluding filing fees) in connection with the election. The declaration must
26 include a statement that the candidate understands that if either one of those limits is
27 exceeded, the candidate will be required to file pre-election reports and, if necessary, a
28 runoff report.

29 (d) A declaration under subsection (c) of this section is filed with the candidate's campaign
30 treasurer appointment.

31 (e) To file under the modified schedule, a candidate must file the declaration required under
32 subsection (c) of this section no later than the 30th day before the first election to which

1 the declaration applies. A declaration filed under subsection (c) of this section is valid for
2 one election cycle only.

3 (f) If an opposed candidate exceeds either of the \$900 [~~\$500~~] limits, the candidate must file
4 reports under §20.213 of this title (relating to Pre-election Reports) and §20.215 of this title
5 (relating to Runoff Report).

6 (g) If an opposed candidate exceeds either of the \$900 [~~\$500~~] limits after the 30th day
7 before the election, the candidate must file a report not later than 48 hours after exceeding
8 the limit. If this is the candidate's first report filed, the report covers a period that begins on
9 the day the candidate's campaign treasurer appointment was filed. Otherwise the period
10 begins on the first day after the period covered by the last report required by this subchapter
11 (other than a special pre-election report or a special session report) or Subchapter D of this
12 chapter (relating to Reporting Requirements for an Officeholder Who Does Not Have a
13 Campaign Treasurer Appointment on File). The period covered by the report continues
14 through the day the candidate exceeded one of the limits for modified reporting.

15 **§20.219. Content of Candidate's Sworn Report of Contributions and Expenditures.**

16 Semiannual reports, pre-election reports, and runoff reports must cover reportable activity
17 during the reporting period and must include the following information:

- 18 (1) the candidate's full name;
- 19 (2) the candidate's address;
- 20 (3) the office sought by the candidate, if known;
- 21 (4) the identity and date of the election for which the report is filed, if known;
- 22 (5) the campaign treasurer's name;
- 23 (6) the campaign treasurer's telephone number;
- 24 (7) the campaign treasurer's residence or business street address;
- 25 (8) for each political committee from which the candidate received notice under
26 §20.319 of this title (relating to Notice to Candidate or Officeholder) or §20.421 of
27 this title (relating to Notice to Candidate or Officeholder):
 - 28 (A) the committee's full name;
 - 29 (B) the committee's address;
 - 30 (C) identification of the political committee as a general-purpose or a
31 specific-purpose committee;

1 (D) the full name of the committee's campaign treasurer; and

2 (E) the address of the committee's campaign treasurer;

3 (9) on a separate page, the following information for each expenditure from political
4 contributions made to a business in which the candidate has a participating interest
5 of more than 10%, holds a position on the governing body of the business, or serves
6 as an officer of the business:

7 (A) the full name of the business to which the expenditure was made;

8 (B) the address of the person to whom the expenditure was made;

9 (C) the date of the expenditure;

10 (D) the purpose of the expenditure; and

11 (E) the amount of the expenditure;

12 (10) for each person from whom the candidate accepted a political contribution
13 (other than a pledge, loan, or a guarantee of a loan) of more than \$90 [~~\$50~~] in value
14 or political contributions (other than pledges, loans, or guarantees of loans) that total
15 more than \$90 [~~\$50~~] in value:

16 (A) the full name of the person making the contribution;

17 (B) the address of the person making the contribution;

18 (C) the total amount of contributions;

19 (D) the date each contribution was accepted; and

20 (E) a description of any in-kind contribution;

21 (11) for each person from whom the candidate accepted a pledge or pledges to
22 provide more than \$90 [~~\$50~~] in money or goods or services worth more than \$90
23 [~~\$50~~]:

24 (A) the full name of the person making the pledge;

25 (B) the address of the person making the pledge;

26 (C) the amount of each pledge;

27 (D) the date each pledge was accepted; and

28 (E) a description of any goods or services pledged; and

1 (F) the total of all pledges accepted during the period for \$90 [~~\$50~~] and less
2 from a person, except those reported under subparagraphs (A)-(E) of this
3 paragraph;

4 (12) for each person making a loan or loans to the candidate for campaign purposes
5 if the total amount loaned by the person during the period is more than \$90: [~~\$50~~]

6 (A) the full name of the person or financial institution making the loan;

7 (B) the address of the person or financial institution making the loan;

8 (C) the amount of the loan;

9 (D) the date of the loan;

10 (E) the interest rate;

11 (F) the maturity date;

12 (G) the collateral for the loan, if any; and

13 (H) if the loan has guarantors:

14 (i) the full name of each guarantor;

15 (ii) the address of each guarantor;

16 (iii) the principal occupation of each guarantor;

17 (iv) the name of the employer of each guarantor; and

18 (v) the amount guaranteed by each guarantor;

19 (13) the total amount of loans accepted during the period for \$90 [~~\$50~~] and less from
20 persons other than financial institutions engaged in the business of making loans for
21 more than one year, except for a loan reported under paragraph (12) of this section;

22 (14) for political expenditures made during the reporting period that total more than
23 \$180 [~~\$100~~] to a single payee, other than expenditures reported under paragraph (9)
24 of this section:

25 (A) the full name of the person to whom each expenditure was made;

26 (B) the address of the person to whom the expenditure was made;

27 (C) the date of the expenditure;

28 (D) the purpose of the expenditure; and

29 (E) the amount of the expenditure;

1 (15) for each political expenditure of any amount made out of personal funds for
2 which reimbursement from political contributions is intended:

3 (A) the full name of the person to whom each expenditure was made;

4 (B) the address of the person to whom the expenditure was made;

5 (C) the date of the expenditure;

6 (D) the purpose of the expenditure;

7 (E) a declaration that the expenditure was made out of personal funds;

8 (F) a declaration that reimbursement from political contributions is intended;
9 and

10 (G) the amount of the expenditure;

11 (16) for each non-political expenditure made from political contributions, other than
12 expenditures reported under paragraph (9) of this section:

13 (A) the date of each expenditure;

14 (B) the full name of the person to whom the expenditure was made;

15 (C) the address of the person to whom the expenditure was made;

16 (D) the purpose of the expenditure; and

17 (E) the amount of the expenditure;

18 (17) for each other candidate or officeholder who benefits from a direct campaign
19 expenditure made by the candidate during the reporting period:

20 (A) the name of the candidate or officeholder; and

21 (B) the office sought or held by the candidate or officeholder;

22 (18) for each political contribution from an out-of-state political committee, the
23 information required by §22.7 of this title (relating to Contribution from Out-of-
24 State Committee);

25 (19) any credit, interest, rebate, refund, reimbursement, or return of a deposit fee
26 resulting from the use of a political contribution or an asset purchased with a
27 political contribution that is received during the reporting period and the amount of
28 which exceeds \$130; [~~\$100~~];

29 (20) any proceeds of the sale of an asset purchased with a political contribution that
30 is received during the reporting period and the amount of which exceeds \$130;
31 [~~\$100~~];

1 (21) any other gain from a political contribution that is received during the reporting
2 period and the amount of which exceeds \$130; [~~\$100~~];

3 (22) any investment purchased with a political contribution that is received during
4 the reporting period and the amount of which exceeds \$130; [~~\$100~~];

5 (23) the full name and address of each person from whom an amount described by
6 paragraph (19), (20), (21), or (22) of this section is received, the date the amount is
7 received, and the purpose for which the amount is received;

8 (24) the following total amounts:

9 (A) the total principal amount of all outstanding loans as of the last day of
10 the reporting period;

11 (B) the total amount or an itemized listing of political contributions (other
12 than pledges, loans, or guarantees of loans) of \$90 [~~\$50~~] and less;

13 (C) the total amount of all political contributions (other than pledges, loans,
14 or guarantees of loans);

15 (D) the total amount or an itemized listing of the political expenditures of
16 \$180 [~~\$100~~] and less; and

17 (E) the total amount of all political expenditures; and

18 (25) an affidavit, executed by the candidate, stating: "I swear, or affirm, that the
19 accompanying report is true and correct and includes all information required to be
20 reported by me under Title 15, Election Code."

21 **§20.220. Additional Disclosure for the Texas Comptroller of Public Accounts.**

22 (a) For purposes of this section and §2155.003(e) of the Government Code, the term
23 "vendor" means:

24 (1) a person, who during the comptroller's term of office, bids on or receives a
25 contract under the comptroller's purchasing authority that was transferred to the
26 comptroller by §2151.004 of the Government Code; and

27 (2) an employee or agent of a person described by subsection (a)(1) of this section
28 who communicates directly with the chief clerk, or an employee of the Texas
29 Comptroller of Public Accounts who exercises discretion in connection with the
30 vendor's bid or contract, about a bid or contract.

31 (b) Each report filed by the comptroller or a specific-purpose committee created to support
32 the comptroller, shall include:

1 (1) for each vendor whose aggregate campaign contributions equal or exceed \$590
2 [~~\$500~~] during the reporting period, a notation that:

3 (A) the contributor was a vendor during the reporting period or during the 12
4 month period preceding the last day covered by the report; and

5 (B) if the vendor is an individual, includes the name of the entity that employs
6 or that is represented by the individual; and

7 (2) for each political committee directly established, administered, or controlled by
8 a vendor whose aggregate campaign contributions equal or exceed \$590 [~~\$500~~]
9 during the reporting period, a notation that the contributor was a political committee
10 directly established, administered, or controlled by a vendor during the reporting
11 period or during the 12 month period preceding the last day covered by the report.

12 (c) The comptroller, or a specific-purpose committee created to support the comptroller, is
13 considered to be in compliance with this section if:

14 (1) each written solicitation for a campaign contribution includes a request for the
15 information required by subsection (b) of this section; and

16 (2) for each contribution that is accepted for which the information required by this
17 section is not provided at least one oral or written request is made for the missing
18 information. A request under this subsection:

19 (A) must be made not later than the 30th day after the date the contribution
20 is received;

21 (B) must include a clear and conspicuous statement requesting the
22 information required by subsection (b) of this section;

23 (C) if made orally, must be documented in writing; and

24 (D) may not be made in conjunction with a solicitation for an additional
25 campaign contribution.

26 (d) The comptroller, or a specific-purpose committee created to support the comptroller,
27 must report the information required by subsection (b) of this section that is not provided
28 by the person making the political contribution and that is in the comptroller's or
29 committee's records of political contributions or previous campaign finance reports
30 required to be filed under Title 15 of the Election Code filed by the comptroller or
31 committee.

32 (e) If the comptroller, or a specific-purpose committee created to support the comptroller,
33 receives the information required by this section after the filing deadline for the report on

1 which the contribution is reported the comptroller or committee must include the missing
2 information on the next required campaign finance report.

3 (f) The disclosure required under subsection (b) of this section applies only to a contributor
4 who was a vendor or a political committee directly established, administered, or controlled
5 by a vendor on or after September 1, 2007.

6 **§20.221. Special Pre-Election Report by Certain Candidates.**

7 (a) As provided by subsection (b) of this section, certain candidates must file reports about
8 certain contributions accepted during the period that begins on the ninth day before an
9 election and ends at noon on the day before an election. Reports under this section are
10 known as "special pre-election" reports.

11 (b) An opposed candidate for an office specified by §252.005(1), Election Code, who,
12 during the period described in subsection (a) of this section, accepts one or more political
13 contributions from a person that in the aggregate exceed \$1,800 [~~\$1,000~~] must file special
14 pre-election reports.

15 (c) Except as provided in subsection (e) of this section, a candidate must file a special pre-
16 election report so that the report is received by the commission no later than the first
17 business day after the candidate accepts a contribution from a person that triggers the
18 requirement to file the special pre-election report.

19 (d) If, during the reporting period for special pre-election contributions, a candidate
20 receives additional contributions from a person whose previous contribution or
21 contributions have triggered the requirement to file a special pre-election report during that
22 period, the candidate must file an additional special pre-election report for each such
23 contribution. Except as provided in subsection (e) of this section, each such special pre-
24 election report must be filed so that it is received by the commission no later than the first
25 business day after the candidate accepts the contribution.

26 (e) A candidate must file a special pre-election report that is exempt from electronic filing
27 under §254.036(c), Election Code, so that the report is received by the commission no later
28 than 5 p.m. of the first business day after the candidate accepts a contribution from a person
29 that triggers the requirement to file the special pre-election report.

30 (f) A candidate must file a special pre-election report for each person whose contribution
31 or contributions made during the period for special pre-election reports exceed the
32 threshold for special pre-election reports.

33 (g) A candidate must also report contributions reported on a special pre-election report on
34 the next semiannual, pre-election, or runoff report filed, as applicable.

1 **Subchapter D. REPORTING REQUIREMENTS FOR AN OFFICEHOLDER**
2 **WHO DOES NOT HAVE A CAMPAIGN TREASURER APPOINTMENT ON**
3 **FILE**

4 **§20.275. Exception from Filing Requirement for Certain Local Officeholders.**

5 An officeholder is not required to file a semiannual report of contributions and expenditures
6 if the officeholder:

- 7 (1) is required to file with an authority other than the commission;
- 8 (2) does not have a campaign treasurer appointment on file; and
- 9 (3) does not accept more than \$900 [~~\$500~~] in political contributions or make more
10 than \$900 [~~\$500~~] in political expenditures during the reporting period.

11 **§20.279. Contents of Officeholder's Sworn Report of Contributions and**
12 **Expenditures.**

13 An officeholder's semiannual report of contributions and expenditures required by this
14 subchapter must cover reportable activity during the reporting period and must include the
15 following information:

- 16 (1) the officeholder's full name;
- 17 (2) the officeholder's address;
- 18 (3) the office held by the officeholder;
- 19 (4) for each political committee from which the officeholder received notice under
20 §20.319 of this title (relating to Notice to Candidate or Officeholder) or §20.421 of
21 this title (relating to Notice to Candidate or Officeholder):
- 22 (A) the committee's full name;
- 23 (B) the committee's address;
- 24 (C) identification of the political committee as a general-purpose or a
25 specific-purpose committee;
- 26 (D) the full name of the committee's campaign treasurer; and
- 27 (E) the address of the committee's campaign treasurer;
- 28 (5) on a separate page, the following information for each expenditure from political
29 contributions made to a business in which the officeholder has a participating

1 interest of more than 10%, holds a position on the governing body of the business,
2 or serves as an officer of the business:

3 (A) the full name of the business to which the expenditure was made;

4 (B) the address of the business to which the expenditure was made;

5 (C) the date of the expenditure;

6 (D) the purpose of the expenditure; and

7 (E) the amount of the expenditure;

8 (6) for each person from whom the officeholder accepted a political contribution
9 (other than a pledge, loan, or a guarantee of a loan) of more than \$90 [~~\$50~~] in value
10 or political contributions (other than pledges, loans, or guarantees of loans) that total
11 more than \$90 [~~\$50~~] in value:

12 (A) the full name of the person making the contribution;

13 (B) the address of the person making the contribution;

14 (C) the total amount of contributions;

15 (D) the date each contribution was accepted; and

16 (E) a description of any in-kind contribution;

17 (7) for each person from whom the officeholder accepted a pledge or pledges to
18 provide more than \$90 [~~\$50~~] in money or goods or services worth more than \$90:
19 [~~\$50~~]

20 (A) the full name of the person making the pledge;

21 (B) the address of the person making the pledge;

22 (C) the amount of each pledge;

23 (D) the date each pledge was accepted; and

24 (E) a description of any goods or services pledged;

25 (8) the total of all pledges accepted during the period for \$90 [~~\$50~~] and less from a
26 person, except those reported under paragraph (7) of this section;

27 (9) for each person making a loan or loans to the officeholder for officeholder
28 purposes, if the total amount loaned by the person during the period is more than
29 \$90: [~~\$50~~]

30 (A) the full name of the person or financial institution making the loan;

1 (B) the address of the person or financial institution making the loan;

2 (C) the amount of the loan;

3 (D) the date of the loan;

4 (E) the interest rate;

5 (F) the maturity date;

6 (G) the collateral for the loan, if any; and

7 (H) if the loan has guarantors:

8 (i) the full name of each guarantor;

9 (ii) the address of each guarantor;

10 (iii) the principal occupation of each guarantor;

11 (iv) the name of the employer of each guarantor; and

12 (v) the amount guaranteed by each guarantor;

13 (10) the total amount of loans accepted during the period for \$90 [~~\$50~~] and less from
14 persons other than financial institutions engaged in the business of making loans for
15 more than one year, except those reported under paragraph (9) of this section;

16 (11) for political expenditures made during the reporting period that total more than
17 \$180 [~~\$100~~] to a single payee, other than expenditures reported under paragraph (5)
18 of this section:

19 (A) the full name of the person to whom each expenditure was made;

20 (B) the address of the person to whom the expenditure was made;

21 (C) the date of the expenditure;

22 (D) the purpose of the expenditure; and

23 (E) the amount of the expenditure;

24 (12) for each political expenditure of any amount made out of personal funds for
25 which reimbursement from political contributions is intended:

26 (A) the full name of the person to whom each expenditure was made;

27 (B) the address of the person to whom the expenditure was made;

28 (C) the date of each expenditure;

29 (D) the purpose of the expenditure;

- 1 (E) a declaration that the expenditure was made from personal funds;
- 2 (F) a declaration that reimbursement from political contributions is intended;
- 3 and
- 4 (G) the amount of the expenditure;
- 5 (13) for each non-political expenditure made from political contributions, other than
- 6 expenditures reported under paragraph (5) of this section:
- 7 (A) the date of each expenditure;
- 8 (B) the full name of the person to whom the expenditure was made;
- 9 (C) the address of the person to whom the expenditure was made;
- 10 (D) the purpose of the expenditure; and
- 11 (E) the amount of the expenditure;
- 12 (14) for each candidate or other officeholder who benefits from a direct campaign
- 13 expenditure made by the officeholder during the reporting period:
- 14 (A) the name of the candidate or officeholder; and
- 15 (B) the office sought or held by the candidate or officeholder;
- 16 (15) for each political contribution from an out-of-state political committee, the
- 17 information required by §22.7 of this title (relating to Contribution from Out-of-
- 18 State Committee);
- 19 (16) any credit, interest, rebate, refund, reimbursement, or return of a deposit fee
- 20 resulting from the use of a political contribution or an asset purchased with a
- 21 political contribution that is received during the reporting period and the amount of
- 22 which exceeds \$130; [~~\$100~~];
- 23 (17) any proceeds of the sale of an asset purchased with a political contribution that
- 24 is received during the reporting period and the amount of which exceeds \$130;
- 25 [~~\$100~~];
- 26 (18) any other gain from a political contribution that is received during the reporting
- 27 period and the amount of which exceeds \$130; [~~\$100~~];
- 28 (19) any investment purchased with a political contribution that is received during
- 29 the reporting period and the amount of which exceeds \$130; [~~\$100~~];
- 30 (20) the full name and address of each person from whom an amount described by
- 31 paragraph (16), (17), (18), or (19) of this section is received, the date the amount is
- 32 received, and the purpose for which the amount is received;

1 (21) the following total amounts:

2 (A) the total principal amount of all outstanding loans as of the last day of
3 the reporting period;

4 (B) the total amount or an itemized listing of political contributions (other
5 than pledges, loans, or guarantees of loans) of \$90 [~~\$50~~] and less;

6 (C) the total amount of all political contributions (other than pledges, loans,
7 or guarantees of loans);

8 (D) the total amount or an itemized listing of the political expenditures of
9 \$130 [~~\$100~~] and less; and

10 (E) the total amount of all political expenditures; and

11 (22) an affidavit, executed by the officeholder, stating: "I swear, or affirm, that the
12 accompanying report is true and correct and includes all information required to be
13 reported by me under Title 15, Election Code."

14 **Subchapter E. REPORTS BY A SPECIFIC-PURPOSE COMMITTEE**

15 **§20.301. Thresholds for Campaign Treasurer Appointment.**

16 (a) A specific-purpose committee may not accept political contributions exceeding \$870
17 [~~\$500~~] and may not make or authorize political expenditures exceeding \$870 [~~\$500~~]
18 without filing a campaign treasurer appointment with the appropriate filing authority.

19 (b) A specific-purpose committee may not knowingly make or authorize campaign
20 contributions or campaign expenditures exceeding \$870 [~~\$500~~] to support or oppose a
21 candidate in a primary or general election for an office listed below unless the committee's
22 campaign treasurer appointment was filed not later than the 30th day before the appropriate
23 election day:

24 (1) a statewide office;

25 (2) a seat in the state legislature;

26 (3) a seat on the State Board of Education;

27 (4) a multi-county district office; or

28 (5) a judicial district office filled by voters of only one county.

29

1 **§20.303. Appointment of Campaign Treasurer.**

2 (a) A specific-purpose committee may appoint a campaign treasurer at any time before
3 exceeding the thresholds described in §20.301(a) of this title (relating to Thresholds for
4 Campaign Treasurer Appointment).

5 (b) After a specific-purpose committee appoints a campaign treasurer, the campaign
6 treasurer must comply with all the requirements of this subchapter, even if the committee
7 has not yet exceeded \$870 [~~\$500~~] in political contributions or expenditures.

8 (c) With the exception of the campaign treasurer appointment, the individual named as a
9 committee's campaign treasurer is legally responsible for filing all reports of the specific-
10 purpose committee, including a report following the termination of his or her appointment
11 as campaign treasurer.

12 **§20.313. Converting to a General-Purpose Committee.**

13 (a) A specific-purpose committee that changes its operation and becomes a general-purpose
14 committee is subject to the requirements applicable to a general-purpose committee as of
15 the date it files its campaign treasurer appointment as a general-purpose committee with
16 the commission.

17 (b) The campaign treasurer of a specific-purpose committee that becomes a general-
18 purpose committee must deliver written notice of its change in status to the authority with
19 whom the committee was required to file as a specific-purpose committee.

20 (c) The notice required under subsection (b) of this section is due no later than the next
21 deadline for filing a report under this subchapter that:

22 (1) occurs after the committee's change in status; and

23 (2) would be applicable to the political committee if it were still a specific-purpose
24 committee.

25 (d) The notice must state that future reports will be filed with the commission.

26 (e) The notice required under subsection (b) of this section is in addition to the requirement
27 that the new general-purpose committee file a campaign treasurer appointment with the
28 commission before it exceeds \$870 [~~\$500~~] in political expenditures or \$870 [~~\$500~~] in
29 political contributions as a general-purpose committee.

30 ~~[(f) As provided by §20.401 of this title (relating to Thresholds for Appointment of~~
31 ~~Campaign Treasurer by a General Purpose Committee), the new general purpose~~
32 ~~committee may not make political expenditures totaling more than \$500 unless the~~
33 ~~committee has accepted political contributions from at least 10 people and has filed its~~

1 campaign treasurer appointment as a general purpose committee not later than the 60th day
2 before the date the expenditure is made that causes the committee's total expenditures to
3 exceed \$500.]

4 **§20.329. Modified Reporting.**

5 (a) A specific-purpose committee that would otherwise be required to file pre-election
6 reports and a runoff report, if necessary, may choose to file under the modified schedule if
7 the committee does not intend to accept more than \$900 [~~\$500~~] in political contributions
8 or make more than \$900 [~~\$500~~] in political expenditures (excluding filing fees) in
9 connection with any election in an election cycle.

10 (b) Under the modified schedule, the campaign treasurer of a specific-purpose committee
11 is not required to file pre-election reports or a runoff report.

12 (c) To select modified filing, a specific-purpose committee must file a declaration of the
13 committee's intent not to accept more than \$900 [~~\$500~~] in political contributions or make
14 more than \$900 [~~\$500~~] in political expenditures (excluding filing fees) in connection with
15 the election. The declaration must include a statement that the committee understands that
16 if either one of those limits is exceeded, the committee's campaign treasurer will be
17 required to file pre-election reports and, if necessary, a runoff report.

18 (d) A declaration under subsection (c) of this section is filed with the committee's campaign
19 treasurer appointment.

20 (e) To file under the modified schedule, a specific-purpose committee must file the
21 declaration required under subsection (c) of this section no later than the 30th day before
22 the first election to which the declaration applies. A declaration filed under subsection (c)
23 of this section is valid for one election cycle only.

24 (f) Except as provided by subsection (g) of this section, a specific-purpose committee's
25 campaign treasurer must file pre-election reports and, if necessary, a runoff report under
26 the schedule set out in §20.325 of this title (relating to Pre-election Reports) and §20.327
27 of this title (relating to Runoff Report) if the committee exceeds either of the \$900 [~~\$500~~]
28 limits for modified reporting.

29 (g) If a specific-purpose committee exceeds either of the \$900 [~~\$500~~] limits for modified
30 reporting after the 30th day before the election, the committee's campaign treasurer must
31 file a report not later than 48 hours after exceeding the limit.

32 (1) The period covered by a 48-hour report shall begin either on the day the
33 committee's campaign treasurer appointment was filed (if it is the committee's first
34 report of contributions and expenditures) or on the first day after the period covered

1 by the last report (other than a special pre-election report or special session report)
2 filed under this subchapter, as applicable.

3 (2) The period covered by a 48-hour report shall continue through the day the
4 committee exceeded one of the limits for modified reporting.

5 (h) A specific-purpose committee that exceeds either of the \$900 [~~\$500~~] limits for modified
6 reporting after the 30th day before the election and on or before the 10th day before the
7 election must file a report under §20.325(f) of this title (relating to Pre-Election Reports),
8 in addition to any required special pre-election reports.

9 **§20.331. Contents of Specific-Purpose Committee Sworn Report of Contributions and**
10 **Expenditures.**

11 Semiannual reports, pre-election reports, and runoff reports must cover reportable activity
12 during the reporting period and must include the following information:

- 13 (1) the full name of the specific-purpose committee;
- 14 (2) the address of the specific-purpose committee;
- 15 (3) the full name of the specific-purpose committee's campaign treasurer;
- 16 (4) the residence or business street address of the specific-purpose committee's
17 campaign treasurer;
- 18 (5) the committee campaign treasurer's telephone number;
- 19 (6) the identity and date of the election for which the report is filed, if applicable;
- 20 (7) for each candidate supported or opposed by the specific-purpose committee:
 - 21 (A) the full name of the candidate;
 - 22 (B) the office sought by the candidate; and
 - 23 (C) an indication of whether the committee supports or opposes the
24 candidate;
- 25 (8) for each officeholder assisted by the specific-purpose committee:
 - 26 (A) the full name of the officeholder;
 - 27 (B) the office held by the officeholder; and
 - 28 (C) an indication of whether the committee supports or opposes the
29 officeholder;
- 30 (9) for each measure supported or opposed by the specific-purpose committee:

1 (A) a description of the measure; and

2 (B) an indication of whether the committee supports or opposes the measure;

3 (10) for each political expenditure by the committee that was made as a political
4 contribution to a candidate, officeholder, or another political committee and that
5 was returned to the specific-purpose committee during the reporting period:

6 (A) the amount returned;

7 (B) the full name of the person to whom the expenditure was originally made;

8 (C) the address of the person to whom the expenditure was originally made;
9 and

10 (D) the date the expenditure was returned to the specific-purpose committee;

11 (11) on a separate page, the following information for each expenditure from
12 political contributions made to a business in which the candidate has a participating
13 interest of more than 10%, holds a position on the governing body of the business,
14 or serves as an officer of the business:

15 (A) the full name of the business to which the expenditure was made;

16 (B) the address of the business to which the expenditure was made;

17 (C) the date of the expenditure;

18 (D) the purpose of the expenditure; and

19 (E) the amount of the expenditure;

20 (12) if the specific-purpose committee supports or opposes measures exclusively,
21 for each contribution accepted from a labor organization or corporation, as defined
22 by §20.1 of this title (relating to Definitions):

23 (A) the date each contribution was accepted;

24 (B) the full name of the corporation or labor organization making the
25 contribution;

26 (C) the address of the corporation or labor organization making the
27 contribution;

28 (D) the amount of the contribution; and

29 (E) a description of any in-kind contribution;

30 (13) for each person from whom the specific-purpose committee accepted a political
31 contribution (other than a pledge, loan, or a guarantee of a loan) of more than \$90

1 [\$50] in value or political contributions (other than pledges, loans, or guarantees of
2 loans) that total more than \$90 [~~\$50~~] in value:

- 3 (A) the full name of the person;
- 4 (B) the address of the person;
- 5 (C) the total amount of contributions;
- 6 (D) the date each contribution was accepted; and
- 7 (E) a description of any in-kind contribution;

8 (14) for each person from whom the specific-purpose committee accepted a pledge
9 or pledges to provide more than \$90 [~~\$50~~] in money or to provide goods or services
10 worth more than \$90: [~~\$50~~]

- 11 (A) the full name of the person making a pledge;
- 12 (B) the address of the person making a pledge;
- 13 (C) the amount of the pledge;
- 14 (D) the date each pledge was accepted; and
- 15 (E) a description of any goods or services pledged;

16 (15) the total of all pledges accepted during the period for \$90 [~~\$50~~] and less from
17 a person, except those reported under paragraph (14) of this section;

18 (16) for each person making a loan or loans to the specific-purpose committee for
19 campaign or officeholder purposes if the total amount loaned by the person during
20 the period is more than \$90: [~~\$50~~]

- 21 (A) the full name of the person or financial institution making the loan;
- 22 (B) the address of the person or financial institution making the loan;
- 23 (C) the amount of the loan;
- 24 (D) the date of the loan;
- 25 (E) the interest rate;
- 26 (F) the maturity date;
- 27 (G) the collateral for the loan, if any; and
- 28 (H) if the loan has guarantors:

- 29 (i) the full name of each guarantor;

- 1 (ii) the address of each guarantor;
- 2 (iii) the principal occupation of each guarantor;
- 3 (iv) the name of the employer of each guarantor; and
- 4 (v) the amount guaranteed by each guarantor;
- 5 (17) the total amount of loans accepted during the period for \$90 [~~\$50~~] and less from
- 6 persons other than financial institutions engaged in the business of making loans for
- 7 more than one year, except those reported under paragraph (16) of this section;
- 8 (18) for political expenditures made during the reporting period that total more than
- 9 \$180 [~~\$100~~] to a single payee:
- 10 (A) the full name of the person to whom each expenditure was made;
- 11 (B) the address of the person to whom the expenditure was made;
- 12 (C) the date of the expenditure;
- 13 (D) the purpose of the expenditure; and
- 14 (E) the amount of the expenditure;
- 15 (19) for each direct campaign expenditure benefiting a candidate or officeholder,
- 16 except for a direct campaign expenditure made by a committee supporting only one
- 17 candidate or officeholder:
- 18 (A) the name of the candidate or officeholder; and
- 19 (B) the office sought or held by the candidate or officeholder;
- 20 (20) for each non-political expenditure made from political contributions, other than
- 21 expenditures reported under paragraph (11) of this section:
- 22 (A) the date of each expenditure;
- 23 (B) the full name of the person to whom the expenditure was made;
- 24 (C) the address of the person to whom the expenditure was made;
- 25 (D) the purpose of the expenditure; and
- 26 (E) the amount of the expenditure;
- 27 (21) for each political contribution accepted from an out-of-state political
- 28 committee, the information required by §22.7 of this title (relating to Contribution
- 29 from Out-of-State Committee);

1 (22) any credit, interest, rebate, refund, reimbursement, or return of a deposit fee
2 resulting from the use of a political contribution or an asset purchased with a
3 political contribution that is received during the reporting period and the amount of
4 which exceeds \$130; [~~\$100~~];

5 (23) any proceeds of the sale of an asset purchased with a political contribution that
6 is received during the reporting period and the amount of which exceeds \$130;
7 [~~\$100~~];

8 (24) any other gain from a political contribution that is received during the reporting
9 period and the amount of which exceeds \$130; [~~\$100~~];

10 (25) any investment purchased with a political contribution that is received during
11 the reporting period and the amount of which exceeds \$130; [~~\$100~~];

12 (26) the full name and address of each person from whom an amount described by
13 paragraph (22), (23), (24), or (25) of this section is received, the date the amount is
14 received, and the purpose for which the amount is received;

15 (27) the following total amounts:

16 (A) the total principal amount of all outstanding loans as of the last day of
17 the reporting period;

18 (B) the total amount or an itemized listing of political contributions (other
19 than pledges, loans, or guarantees of loans) of \$90 [~~\$50~~] and less;

20 (C) the total amount of all political contributions (other than pledges, loans,
21 or guarantees of loans);

22 (D) the total amount or an itemized listing of the political expenditures of
23 \$180 [~~\$100~~] and less; and

24 (E) the total amount of all political expenditures; and

25 (28) an affidavit, executed by the campaign treasurer, stating: "I swear, or affirm,
26 that the accompanying report is true and correct and includes all information
27 required to be reported by me under Title 15, Election Code."

28 **§20.333. Special Pre-Election Report by Certain Specific-Purpose Committees.**

29 (a) As provided by subsection (b) of this section, certain specific-purpose committees must
30 file reports about certain contributions accepted during the period that begins on the ninth
31 day before an election and ends at noon on the day before an election. Reports under this
32 section are known as "special pre-election" reports.

- 1 (b) A campaign treasurer for a specific-purpose committee for supporting or opposing a
2 candidate for an office specified by §252.005(1), Election Code, that, during the period
3 described in subsection (a) of this section, accepts one or more political contributions from
4 a person that in the aggregate exceed \$1,790 [~~\$1,000~~] must file special pre-election reports.
- 5 (c) Except as provided in subsection (e) of this section, the campaign treasurer of a specific-
6 purpose committee must file a report so that the report is received by the commission no
7 later than the first business day after the committee accepts a contribution from a person
8 that triggers the requirement to file the special pre-election report.
- 9 (d) If, during the reporting period for special pre-election contributions, a committee
10 receives additional contributions from a person whose previous contribution or
11 contributions have triggered the requirement to file a special pre-election report during the
12 period, the campaign treasurer for the committee must file an additional special pre-
13 election report for each such contribution. Except as provided in subsection (e) of this
14 section, each such special pre-election report must be filed so that it is received by the
15 commission no later than the first business day after the committee accepts the
16 contribution.
- 17 (e) The campaign treasurer of a specific-purpose committee must file a special pre-election
18 report for each person whose contribution or contributions made during the period for
19 special pre-election reports exceed the threshold for special pre-election reports.
- 20 (f) A campaign treasurer of a specific-purpose committee must also report contributions
21 reported on a special pre-election report on the next semiannual, pre-election, or runoff
22 report filed, as applicable.

23 **Subchapter D. REPORTING REQUIREMENTS FOR A GENERAL PURPOSE**
24 **COMMITTEE**

25 **§20.401. Thresholds for Appointment of Campaign Treasurer by a General-Purpose**
26 **Committee.**

- 27 (a) A general-purpose committee may not accept political contributions exceeding \$870
28 [~~\$500~~] and may not make or authorize political expenditures exceeding \$870 [~~\$500~~]
29 without filing a campaign treasurer appointment with the commission.
- 30 (b) Unless the committee's campaign treasurer appointment was filed not later than the 30th
31 day before the appropriate election day, a general-purpose committee may not knowingly
32 make or authorize campaign contributions or campaign expenditures exceeding \$870
33 [~~\$500~~] to support or oppose a candidate in a primary or general election for the following:
- 34 (1) a statewide office;

- 1 (2) a seat in the state legislature;
- 2 (3) a seat on the State Board of Education;
- 3 (4) a multi-county district office; or
- 4 (5) a judicial district office filled by voters of only one county.

5 ~~[(c) A general purpose committee may not make or authorize political expenditures~~
6 ~~totaling more than \$500 unless the committee has:~~

- 7 ~~(1) filed its campaign treasurer appointment not later than the 60th day before the~~
8 ~~date the expenditure is made that causes the total expenditures to exceed \$500; and~~
- 9 ~~(2) received contributions from at least 10 persons.~~

10 ~~(d) Subsection (c) of this section does not apply to a general purpose committee that~~
11 ~~accepts contributions from a multi-candidate political committee (as defined by the Federal~~
12 ~~Election Campaign Act) that is registered with the Federal Election Commission, provided~~
13 ~~that the general purpose committee is in compliance with §22.7 of this title (relating to~~
14 ~~Contribution from Out of State Committee).]~~

15 **§20.405. Campaign Treasurer Appointment for a General-Purpose [Political]**
16 **Committee.**

17 (a) A general-purpose committee may appoint a campaign treasurer at any time before
18 exceeding the thresholds described in §20.401(a) of this title (relating to Thresholds for
19 Appointment of Campaign Treasurer by a General-Purpose Committee).

20 (b) After a general-purpose committee appoints a campaign treasurer, the campaign
21 treasurer must comply with all the requirements of this subchapter, even if the committee
22 has not yet exceeded \$870 [~~\$500~~] in political contributions or expenditures.

23 (c) With the exception of the campaign treasurer appointment, the individual named as a
24 committee's campaign treasurer is legally responsible for filing all reports of the general-
25 purpose committee, including a report following the termination of his or her appointment
26 as campaign treasurer.

27 **§20.431. Monthly Reporting.**

28 (a) A monthly report filed by a general-purpose committee shall include the information
29 required by §20.433 of this title (relating to Contents of General-Purpose Committee Sworn
30 Report of Contributions and Expenditures), except that the threshold reporting amount of
31 \$90 [~~\$50~~] set out in §20.433(11) - (16), and (20) of this title (relating to Contents of
32 General-Purpose Committee Sworn Report of Contributions and Expenditures) does not

1 apply to a general-purpose committee reporting monthly. For a general-purpose committee
2 reporting monthly, the threshold reporting amount under §20.433(11) - (16) and (20) of
3 this title is \$20, [~~\$10,~~] except as provided by §20.434 of this title (relating to Alternate
4 Reporting Requirements for Certain General-Purpose Committees).

5 (b) A monthly report is due not later than the fifth day of the month following the end of
6 the period covered by the report. A monthly report covering the month preceding an
7 election in which the committee is involved must be received by the authority with whom
8 the report is required to be filed no later than the fifth day of the month following the end
9 of the period covered by the report.

10 (c) Except for the first monthly report filed, a monthly report covers a period that begins
11 on the 26th day of one month and ends on the 25th day of the next month.

12 (d) The beginning day for the first monthly report filed by a general-purpose committee
13 shall be as follows.

14 (1) For a general-purpose committee that has been filing on the regular schedule and
15 chooses monthly filing between January 1 and January 15 of a particular year, the
16 first report will cover a period that begins on January 1 of that year.

17 (2) For a general-purpose committee that elected to file monthly at the time it filed
18 its campaign treasurer appointment, the period covered by the first monthly report
19 depends on the day of the month that the campaign treasurer was appointed.

20 (A) If the general-purpose committee filed its campaign treasurer
21 appointment before the 25th of the month, the first report will cover a period
22 that begins on the day the appointment was filed and ends on the 25th day of
23 the same month.

24 (B) If the general-purpose committee filed its campaign treasurer
25 appointment on or after the 25th of the month, the first report will cover the
26 period that begins on the day the appointment is filed and ends on the 25th
27 day of the next month.

28 **§20.433. Contents of General-Purpose Committee Sworn Report of Contributions**
29 **and Expenditures.**

30 Semiannual reports, pre-election reports, and runoff reports must cover reportable activity
31 during the reporting period and must include the following information:

32 (1) the full name of the general-purpose committee;

33 (2) the address of the general-purpose committee;

- 1 (3) the full name of the general-purpose committee's campaign treasurer;
- 2 (4) the residence or business street address of the general-purpose committee's
3 campaign treasurer;
- 4 (5) the committee campaign treasurer's telephone number;
- 5 (6) the identity and date of the election for which the report is filed, if applicable;
- 6 (7) the full name of each identified candidate or measure or classification by party
7 of candidates supported or opposed by the general-purpose committee and an
8 indication of whether the general-purpose committee supports or opposes each
9 listed candidate, measure, or classification by party of candidates;
- 10 (8) the full name of each identified officeholder or classification by party of
11 officeholders assisted by the general-purpose committee;
- 12 (9) if the general-purpose committee supports or opposes measures exclusively, for
13 each contribution accepted from a corporation as defined by §20.1 of this title
14 (relating to Definitions):
- 15 (A) the date each contribution was accepted;
- 16 (B) the full name of the corporation or labor organization making the
17 contribution;
- 18 (C) the address of the corporation or labor organization making the
19 contribution;
- 20 (D) the amount of the contribution; and
- 21 (E) a description of any in-kind contribution;
- 22 (10) for each political expenditure by the general-purpose committee that was made
23 as a political contribution to a candidate, officeholder, or another political
24 committee and that was returned to the general-purpose committee during the
25 reporting period:
- 26 (A) the amount returned;
- 27 (B) the full name of the person to whom the expenditure was originally made;
- 28 (C) the address of the person to whom the expenditure was originally made;
29 and
- 30 (D) the date the expenditure was returned to the general-purpose committee;
- 31 (11) for each person from whom the general-purpose committee accepted a political
32 contribution other than a pledge or a loan of more than \$90 [~~\$50~~] in value, or

1 political contributions other than pledges or loans that total more than \$90 [~~\$50~~] in
2 value (or more than \$20 [~~\$10~~] for a general-purpose committee reporting monthly):

- 3 (A) the date each contribution was accepted;
- 4 (B) the full name of the person making the contribution;
- 5 (C) the address of the person making the contribution;
- 6 (D) the principal occupation of the person making the contribution;
- 7 (E) the amount of the contribution; and
- 8 (F) a description of any in-kind contribution;

9 (12) for each person from whom the general-purpose committee accepted a pledge
10 or pledges to provide more than \$90 [~~\$50~~] in money or to provide goods or services
11 worth more than \$90 [~~\$50~~] (more than \$20 [~~\$10~~] for a general-purpose committee
12 reporting monthly):

- 13 (A) the full name of the person making the pledge;
- 14 (B) the address of the person making the pledge;
- 15 (C) the principal occupation of the person making the pledge;
- 16 (D) the amount of each pledge;
- 17 (E) the date each pledge was accepted; and
- 18 (F) a description of any goods or services pledged;

19 (13) the total of all pledges accepted during the period for \$90 [~~\$50~~] and less from
20 a person, except for those reported under paragraph (12) of this section;

21 (14) for each person making a loan or loans to the general-purpose committee for
22 campaign purposes if the total amount loaned by the person during the period is
23 more than \$90 [~~\$50~~] (more than \$20 [~~\$10~~] for a general-purpose committee
24 reporting monthly):

- 25 (A) the full name of the person or financial institution making the loan;
- 26 (B) the address of the person or financial institution making the loan;
- 27 (C) the amount of the loan;
- 28 (D) the date of the loan;
- 29 (E) the interest rate;
- 30 (F) the maturity date;

1 (G) the collateral for the loan, if any; and

2 (H) if the loan has guarantors:

3 (i) the full name of each guarantor;

4 (ii) the address of each guarantor;

5 (iii) the principal occupation of each guarantor;

6 (iv) the name of the employer of each guarantor; and

7 (v) the amount guaranteed by each guarantor;

8 (15) the total amount of loans accepted during the period for \$90 [~~\$50~~] and less from
9 persons other than financial institutions engaged in the business of making loans for
10 more than one year, except for those reported under paragraph (14) of this section;

11 (16) for political expenditures made during the reporting period that total more than
12 \$180 [~~\$100~~] (more than \$20 [~~\$10~~] for a general-purpose committee reporting
13 monthly) to a single payee:

14 (A) the full name of the person to whom each expenditure was made;

15 (B) the address of the person to whom the expenditure was made;

16 (C) the date of the expenditure;

17 (D) the purpose of the expenditure;

18 (E) the amount of the expenditure; and

19 (F) indication for an expenditure paid in full or in part from corporations or
20 labor organizations that it was paid from such sources.

21 (17) for each non-political expenditure made from political contributions:

22 (A) the date of each expenditure;

23 (B) the full name of the person to whom the expenditure was made;

24 (C) the address of the person to whom the expenditure was made;

25 (D) the purpose of the expenditure;

26 (E) the amount of the expenditure; and

27 (F) indication for an expenditure paid in full or in part from corporations or
28 labor organizations that it was paid from such sources.

1 (18) for each candidate or officeholder who benefits from a direct campaign
2 expenditure made by the committee:

3 (A) the name of the candidate or officeholder; and

4 (B) the office sought or held by the candidate or officeholder;

5 (19) for each political contribution from an out-of-state political committee, the
6 information required by §22.7 of this title (relating to Contribution from Out-of-
7 State Committee);

8 (20) any credit, interest, rebate, refund, reimbursement, or return of a deposit fee
9 resulting from the use of a political contribution or an asset purchased with a
10 political contribution that is received during the reporting period and the amount of
11 which exceeds \$130; [~~\$100~~];

12 (21) any proceeds of the sale of an asset purchased with a political contribution that
13 is received during the reporting period and the amount of which exceeds \$130;
14 [~~\$100~~];

15 (22) any other gain from a political contribution that is received during the reporting
16 period and the amount of which exceeds \$130; [~~\$100~~];

17 (23) any investment purchased with a political contribution that is received during
18 the reporting period and the amount of which exceeds \$130; [~~\$100~~];

19 (24) the full name and address of each person from whom an amount described by
20 paragraph (20), (21), (22), or (23) of this section is received, the date the amount is
21 received, and the purpose for which the amount is received;

22 (25) the following total amounts:

23 (A) the total principal amount of all outstanding loans as of the last day of
24 the reporting period;

25 (B) the total amount or an itemized listing of political contributions (other
26 than pledges, loans, or guarantees of loans) of \$90 [~~\$50~~] and less (\$20 [~~(\$10)~~]
27 and less for a general-purpose committee reporting monthly);

28 (C) the total amount of all political contributions (other than pledges, loans,
29 or guarantees of loans);

30 (D) the total amount or an itemized listing of the political expenditures of
31 \$180 [~~\$100~~] and less (\$20 [~~(\$10)~~] and less for a general-purpose committee
32 reporting monthly); and

33 (E) the total amount of all political expenditures; and

1 (26) an affidavit, executed by the campaign treasurer, stating: "I swear, or affirm,
2 that the accompanying report is true and correct and includes all information
3 required to be reported by me under Title 15, Election Code."

4 **§20.434. Alternate Reporting Requirements for General-Purpose Committees.**

5 (a) This section and Election Code §254.1541 apply only to a general-purpose committee
6 with less than \$25,860 [~~\$20,000~~] in one or more accounts maintained by the committee in
7 which political contributions are deposited, as of the last day of the preceding reporting
8 period for which the committee was required to file a report.

9 (b) The alternative reporting requirement in Election Code §254.1541 applies only to
10 contributions.

11 (c) A report by a campaign treasurer of a general-purpose committee to which this section
12 and Election Code §254.154 apply shall include the information required by §20.433 of
13 this title (Contents of General-Purpose Committee Sworn Report of Contributions and
14 Expenditures), except that the campaign treasurer may choose a threshold reporting amount
15 for political contributions of \$180 [~~\$100~~] instead of the threshold reporting amount of \$90
16 [~~\$50~~] set out in §20.433(a)(11) and (a)(20)(B) of this title.

17 (d) A monthly report by a campaign treasurer of a general-purpose committee to which this
18 section and Election Code §254.154 apply shall include the information required by
19 §20.433 of this title (Contents of General-Purpose Committee Sworn Report of
20 Contributions and Expenditures), except that the campaign treasurer may choose a
21 threshold reporting amount for political contributions of \$40 [~~\$20~~] instead of the threshold
22 reporting amount of \$20 [~~\$10~~] set out in §20.433(a)(11) and (a)(20)(B) of this title.

23 **§20.435. Special Pre-Election Reports by Certain General-Purpose Committees.**

24 (a) In addition to other reports required by this chapter, a general-purpose committee must
25 file a special pre-election report if the committee is involved in an election and if it:

26 (1) makes direct campaign expenditures supporting or opposing a single candidate
27 that in the aggregate exceed \$1,790 [~~\$1,000~~] or a group of candidates that in the
28 aggregate exceed \$26,780 [~~\$15,000~~] during the reporting period for special pre-
29 election reports; or

30 (2) accepts political contributions from a person that in the aggregate exceed \$6,090
31 [~~\$5,000~~] during the reporting period for special pre-election reports.

32 (b) The period for special pre-election reports begins on the ninth day before election day
33 and ends at noon on the day before election day.

- 1 (c) Except as provided by subsection (d) of this section, a report under this section must be
2 received by the commission no later than the first business day after the contribution is
3 accepted or the expenditure is made.
- 4 (d) A special pre-election report that is exempt from electronic filing under §254.036(c),
5 Election Code, must be received by the commission no later than 5 p.m. of the first business
6 day after the contribution is accepted or the expenditure is made.
- 7 (e) Expenditures and contributions reported under this section must be reported again in
8 the next applicable sworn report of contributions and expenditures.

9 **Subchapter I. RULES APPLICABLE TO A POLITICAL PARTY'S COUNTY**
10 **EXECUTIVE COMMITTEE**

11 **§20.553. Campaign Treasurer Appointment Not Required for County Executive**
12 **Committee Accepting Contributions or Making Expenditures under Certain**
13 **Amount. [~~Totaling \$25,000 or Less.~~]**

14 (a) A county executive committee accepting political contributions or making political
15 expenditures totaling \$32,320 [~~\$25,000~~] or less in a calendar year is not required to:

- 16 (1) appoint a campaign treasurer before accepting political contributions or making
17 political expenditures; or
- 18 (2) file the reports required by Subchapter F of this chapter (relating to Reporting
19 Requirements for a General-Purpose Committee).

20 (b) A county executive committee described in subsection (a) of this section is required to
21 comply with §20.551 of this title (relating to Obligation To Maintain Records).

22 **§20.555. County Executive Committee Accepting Contributions or Making**
23 **Expenditures That Exceed Certain Amount. [~~\$25,000.~~]**

24 (a) A county executive committee described by subsection (b) of this section is subject to
25 the requirements of Subchapter F of this chapter (relating to Reporting Requirements for a
26 General-Purpose Committee), except where those rules conflict with this subchapter. In the
27 case of conflict, this subchapter prevails over Subchapter F of this chapter.

28 (b) A county executive committee that accepts political contributions or that makes
29 political expenditures that, in the aggregate, exceed \$32,320 [~~\$25,000~~] in a calendar year
30 shall file:

1 (1) a campaign treasurer appointment with the commission no later than the 15th
2 day after the date that amount is exceeded; and

3 (2) the reports required by Subchapter F of this chapter (relating to Reporting
4 Requirements for a General-Purpose Committee). The first report filed must include
5 all political contributions accepted and all political expenditures made before the
6 county executive committee filed its campaign treasurer appointment.

7 (c) Contributions accepted from corporations and labor organizations under §253.104 of
8 the Election Code and reported under Subchapter H of this chapter (relating to Accepting
9 and Reporting Contributions from Corporations and Labor Organizations) do not count
10 against the \$32,320 [~~\$25,000~~] thresholds described in subsection (b) of this section.

11 (d) A county executive committee that filed a campaign treasurer appointment may file a
12 final report, which will notify the commission that the county executive committee does
13 not intend to file future reports unless it exceeds one of the \$32,320 [~~\$25,000~~] thresholds.
14 The final report may be filed:

15 (1) beginning on January 1 and by the January 15 filing deadline if the committee
16 has exceeded one of the \$32,320 [~~\$25,000~~] thresholds in the previous calendar year;
17 or

18 (2) at any time if the committee has not exceeded one of the \$32,320 [~~\$25,000~~]
19 thresholds in the calendar year.

20 **Chapter 22. RESTRICTIONS ON CONTRIBUTIONS AND EXPENDITURES**

21 **§22.1. Certain Campaign Treasurer Appointments Required before Political Activity** 22 **Begins.**

23 (a) An individual must file a campaign treasurer appointment with the proper authority
24 before accepting a campaign contribution or making or authorizing a campaign
25 expenditure.

26 (1) An officeholder may accept an officeholder contribution and make or authorize
27 an officeholder expenditure without a campaign treasurer appointment on file.

28 (2) An officeholder who does not have a campaign treasurer appointment on file
29 may not accept a campaign contribution or make or authorize a campaign
30 expenditure.

31 (b) A political committee may not accept political contributions exceeding \$870 [~~\$500~~]
32 and may not make or authorize political expenditures exceeding \$870 [~~\$500~~] without filing
33 a campaign treasurer appointment with the appropriate filing authority.

1 ~~[(e) A general purpose committee may not make or authorize political expenditures~~
2 ~~totaling more than \$500 unless the committee has:~~

3 ~~(1) filed its campaign treasurer appointment not later than the 60th day before the date the~~
4 ~~expenditure is made that causes the total expenditures to exceed \$500; and~~

5 ~~(2) received contributions from at least 10 persons.~~

6 ~~(d) Subsection (e) of this section does not apply to a general purpose committee that~~
7 ~~accepts contributions from a multi-candidate political committee (as defined by the Federal~~
8 ~~Election Campaign Act) that is registered with the Federal Election Commission, provided~~
9 ~~that the general purpose committee is in compliance with §22.7 of this title (relating to~~
10 ~~Contribution from Out of State Committee).]~~

11 (c) [(e)] Unless the committee's campaign treasurer appointment was filed not later than
12 the 30th day before the appropriate election day, a political committee may not knowingly
13 make or authorize campaign contributions or campaign expenditures exceeding \$870
14 [\$500] to support or oppose a candidate in a primary or general election for the following:

15 (1) a statewide office;

16 (2) a seat in the state legislature;

17 (3) a seat on the State Board of Education;

18 (4) a multi-county district office; or

19 (5) a judicial district office filled by voters of only one county.

20 (d) [(f)] This section does not apply to the county executive committee of a political party
21 except as provided in Chapter 20, Subchapter I of this title (relating to Rules Applicable to
22 a Political Party's County Executive Committee).

23 **§22.6. Reporting Direct Campaign Expenditures.**

24 (a) Section 254.261 of the Election Code applies to a person who, not acting in concert
25 with another person, makes one or more direct campaign expenditures that exceed \$130
26 [\$100] in an election from the person's own property.

27 (b) For purposes of Section 254.261 of the Election Code, "acting in concert" means acting
28 in cooperation or consultation with another, or under an express or implied agreement, to
29 pursue a common activity. Evidence of acting in concert can be provided by showing that
30 persons are:

31 (1) using the same consultants;

32 (2) using the same person to purchase media;

- 1 (3) sharing mailing lists;
- 2 (4) sharing email lists;
- 3 (5) sharing telephone lists;
- 4 (6) exchanging drafts or final proofs of political advertising;
- 5 (7) meeting with a candidate, or a candidate's agent or staff regarding campaign
- 6 communications, including but not limited to talking points, campaign themes,
- 7 campaign communication schedules, and campaign events;
- 8 (8) sharing research on candidates or measures; or
- 9 (9) sharing polling data.

10 **§22.7. Contribution from Out-of-State Committee.**

11 (a) For each reporting period during which a candidate, officeholder, or political committee
12 accepts a contribution or contributions from an out-of-state political committee totaling
13 more than \$900, [~~\$500~~] the candidate, officeholder, or political committee must comply
14 with subsections (b) and (c) of this section.

15 (b) The candidate, officeholder, or political committee covered by subsection (a) of this
16 section must first obtain from the out-of-state committee one of the following documents
17 before accepting the contribution that causes the total received from the out-of-state
18 committee to exceed \$900 [~~\$500~~] during the reporting period:

19 (1) a written statement, certified by an officer of the out-of-state political committee,
20 listing the full name and address of each person who contributed more than \$180
21 [~~\$100~~] to the out-of-state political committee during the 12 months immediately
22 preceding the date of the contribution; or

23 (2) a copy of the out-of-state political committee's statement of organization filed
24 as required by law with the Federal Election Commission and certified by an officer
25 of the out-of-state committee.

26 (c) The document obtained pursuant to subsection (b) of this section shall be included as
27 part of the report that covers the reporting period in which the candidate, officeholder, or
28 political committee accepted the contribution that caused the total accepted from the out-
29 of-state committee to exceed \$900. [~~\$500~~]

30 (d) A candidate, officeholder, or political committee that:

31 (1) receives contributions covered by subsection (a) of this section from the same
32 out-of-state committee in successive reporting periods; and

1 (2) complies with subsection (b)(2) of this section before accepting the first
2 contribution triggering subsection (a) of this section, may comply with subsection
3 (c) of this section in successive reporting periods by submitting a copy of the
4 certified document obtained before accepting the first contribution triggering
5 subsection (a) of this section, rather than by obtaining and submitting an original
6 certified document for each reporting period, provided the document has not been
7 amended since the last submission.

8 (e) A candidate, officeholder, or political committee that accepts a contribution or
9 contributions totaling \$900 [~~\$500~~] or less from an out-of-state political committee shall
10 include as part of the report covering the reporting period in which the contribution or
11 contributions are accepted either:

12 (1) a copy of the out-of-state committee's statement of organization filed as required
13 by law with the Federal Election Commission and certified by an officer of the out-
14 of-state committee; or

15 (2) the following information:

16 (A) the full name of the committee, and, if the name is an acronym, the words
17 the acronym represents;

18 (B) the address of the committee;

19 (C) the telephone number of the committee;

20 (D) the name of the person appointing the campaign treasurer; and

21 (E) the following information for the individual appointed campaign
22 treasurer and assistant campaign treasurer:

23 (i) the individual's full name;

24 (ii) the individual's residence or business street address; and

25 (iii) the individual's telephone number.

26 (f) This section does not apply to a contribution from an out-of-state political committee if
27 the committee filed a campaign treasurer appointment with the commission before making
28 the contribution.

29

1 **Chapter 34. REGULATION OF LOBBYISTS**

2 **Subchapter B. REGISTRATION REQUIRED**

3 **§34.41. Expenditure Threshold.**

4 (a) A person must register under Government Code, §305.003(a)(1), if the person makes
5 total expenditures of more than \$780 [~~\$500~~] in a calendar quarter, not including
6 expenditures for the person's own travel, food, lodging, or membership dues, on activities
7 described in Government Code, §305.006(b), to communicate directly with one or more
8 members of the legislative or executive branch to influence legislation or administrative
9 action.

10 (b) An expenditure made by a member of the judicial, legislative, or executive branch of
11 state government or an officer or employee of a political subdivision of the state acting in
12 his or her official capacity is not included for purposes of determining whether a person is
13 required to register under Government Code, §305.003(a)(1).

14 (c) An expenditure made in connection with an event to promote the interests of a
15 designated geographic area or political subdivision is not included for purposes of
16 determining whether a person has crossed the registration threshold in Government Code,
17 §305.003(a)(1), if the expenditure is made by a group that exists for the limited purpose of
18 sponsoring the event or by a person acting on behalf of such a group.

19 **§34.43. Compensation and Reimbursement Threshold.**

20 (a) A person must register under Government Code, §305.003(a)(2), if the person receives,
21 or is entitled to receive under an agreement under which the person is retained or employed,
22 more than \$1,560 [~~\$1000~~] in a calendar quarter in compensation and reimbursement, not
23 including reimbursement for the person's own travel, food, lodging, or membership dues,
24 from one or more other persons to communicate directly with a member of the legislative
25 or executive branch to influence legislation or administrative action.

26 (b) For purposes of Government Code, §305.003(a)(2), and this chapter, a person is not
27 required to register if the person spends not more than 40 hours for which the person is
28 compensated or reimbursed during a calendar quarter engaging in lobby activity, including
29 preparatory activity as described by §34.3 of this title.

30 (c) For purposes of Government Code, §305.003(a)(2), and this chapter, a person shall
31 make a reasonable allocation of compensation between compensation for lobby activity
32 and compensation for other activities.

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ETHICS ADVISORY OPINION NO. ____

June 28, 2019

ISSUE

Whether a public officer may use government resources for political advertising. (SP-14)

BACKGROUND

The Texas Ethics Commission (“Commission”) has been asked on numerous occasions about the permissibility of a public officer’s¹ use of government resources for political advertising. For example, we have been asked whether a public officer may be interviewed in his or her government office for use in a campaign video.

In the circumstances described above, the government resources come into the public officer’s custody or possession by virtue of holding the public office.

SUMMARY

A public officer, including a statewide officer, legislator, county officer, municipal officer, or school district officer, would be prohibited from using government resources, such as the officer’s office in a government building, to create a photograph, video, or other communication for political advertising because the officer has custody or possession of the government resources by virtue of holding the public office.

ANALYSIS

The Commission, on its own initiative, issues this advisory opinion to address whether a public officer may use government resources, such as the public officer’s office, to create a photograph, video, or other communication for political advertising. We also address whether a public officer may similarly use government resources that are equally accessible to the public. To resolve this question, we must address sections 39.02(a)(2) and 39.02(a)(1) of the Penal Code and section

¹ “Public officer” includes an officer of the state or a county, municipality, city, or political subdivision, as defined in section 1.07(a) of the Penal Code and section 1.005 of the Election Code. This opinion applies to a state officer who is a district officer of the state government, such as a legislator (*see* Elec. Code § 1.005(4)), or who is a statewide officer (*see id.* § 1.005(19)). This opinion also applies to an officer of a county, city, school district, or other subordinate self-governing entity. *See id.* § 1.005(13).

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255.003(a) of the Election Code, which restrict the use of government resources for political advertising.²

Use of Government Resources for Political Advertising

Section 39.02(a)(2), Penal Code

Section 39.02(a)(2) of the Penal Code states that a public servant may not, with intent to obtain a benefit³ or harm or defraud another, intentionally or knowingly “misuse[] government property, services, personnel, or any other thing of value belonging to the government that has come into the public servant’s custody or possession by virtue of the public servant’s office or employment.” Penal Code § 39.02(a)(2). A public servant, as defined in the Penal Code, includes a public officer, among other enumerated persons.⁴ Because the questions addressed by the Commission relate to public officers, this opinion applies to that class of public servants.

A “misuse” means:

[T]o deal with government property contrary to:

- (A) an agreement under which the public servant holds the property;
- (B) a contract of employment or oath of office of a public servant;
- (C) a law, including provisions of the General Appropriations Act specifically relating to government property, that prescribes the manner of custody or disposition of the property; or
- (D) a limited purpose for which the property is delivered or received.

Id. § 39.01(2).

The use of government resources for an individual public servant’s benefit is a misuse contrary to the state constitutional requirements that public money be used for a public purpose. Tex. Const. art. III, §§ 51, 52(a).⁵ Therefore, the use of government resources for an individual public

² This opinion does not address the application of sections 39.02(a)(1) and 39.02(a)(2) of the Penal Code or section 255.003(a) of the Election Code to a judicial officer.

³ “Benefit” is defined, in pertinent part, as “anything reasonably regarded as economic gain or advantage.” Penal Code § 1.07(a)(7).

⁴ “Public servant” also includes an employee or agent of government, a juror or grand juror, an arbitrator or referee, a notary public, and a candidate for nomination or election public office. Penal Code § 1.07(a)(41).

⁵ Tex. Const. art. III, §§ 51 (legislature may not authorize grant of public money to any individual, association, municipal or other corporation), 52(a) (legislature may not authorize any county, city, town or other political

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servant's private campaign purposes would be a misuse. Section 39.02(a)(2) of the Penal Code applies only to a misuse of government resources that have "come into the public servant's custody or possession by virtue of the public servant's office or employment." A public officer would have custody or possession⁶ of an office or other government resources by virtue of having exclusive control over those resources as a public officer. The public officer's use of a government office, which is restricted to the custody or possession of that officer, for political advertising would confer a benefit to the individual public servant for private campaign purposes and would violate section 39.02(a)(2) of the Penal Code.

Regarding government resources, such as the public area of a government facility, in our opinion, such an area would not be in the "custody or possession" of a public officer. Such an area would be equally accessible to those not having custody or possession of the government resources. Therefore, section 39.02(a)(2) of the Penal Code would not prohibit a public officer from using the public areas of a government building to create a communication for political advertising.

Regarding the specific example about which we have been asked, a public officer occupying the public officer's government office would have custody or possession of the government office by virtue of holding the public office. The government office would not be equally accessible to the public. We conclude that section 39.02(a)(2) would prohibit the public officer from using the public officer's government office to create any communication for political advertising, such as an interview for a campaign video. In our opinion, the best practices for public officers are to remove themselves from government facilities and decline to use other government resources, of which they have custody or possession, for campaign activity, including political advertising. We conclude that public officers may permissibly use government resources that are equally accessible to the general public, and they should relocate to publicly accessible areas, when creating photographs, videos, or other communications for political advertising.

corporation or subdivision of the state to grant public money or thing of value in aid of or to any individual, association, or corporation). *See also* Ethics Advisory Opinion Nos. 386 (1997) (use of state equipment or state employees to handle campaign contributions or prepare campaign finance reports for officeholders is a misuse of government resources), 172 (1993) (state employees' work time may not be used to handle campaign contributions or expenditures); Gov't Code § 556.004 (prohibiting use of legislatively appropriated money and other resources for campaign purposes); *Texans Uniting for Reform & Freedom v. Saenz*, 319 S.W.3d 914 (Tex. App. – Austin 2010), *petition denied*, 2011 Tex. LEXIS 59 (Tex., Jan. 14, 2011) (legislature intended section 556.004 of the Government Code to prohibit state officers and employees from using their official authority to affect the result of an election, to affect the nomination of a candidate, or to achieve purposes similar in kind or nature to achieving or aiding the nomination or election of candidates); Attorney General Opinion Nos. DM-431 (1997), JM-685 (1993) (both holding that governmental entity may not pay costs in connection with election contest involving government officeholder), MW-36 (1979) (public body has no authority to contribute public funds to or on behalf of an individual or organization).

⁶ "Custody" is defined as "[t]he care and control of a thing or person for inspection, preservation, or security." Black's Law Dictionary 467 (10th ed. 2014). "Possession" is defined as "[t]he fact of having or holding property in one's power; the exercise of dominion over property," and "[t]he right under which one may exercise control over something to the exclusion of all others." *Id.* at 1351. In the Penal Code, "possession" is more generally defined as "actual care, custody, control, or management." Penal Code § 1.07(a)(39).

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Section 39.02(a)(1), Penal Code

Section 39.02(a)(1) of the Penal Code states that a public servant may not, with intent to obtain a benefit or harm or defraud another, intentionally or knowingly “violate[] a law relating to the public servant’s office or employment.” Penal Code § 39.02(a)(1).⁷ Section 39.02(a)(2) of the Penal Code and the constitutional requirement to use public money for a public purpose are laws relating to the public officer’s office or employment. Therefore, in our opinion, a public officer would violate section 39.02(a)(1) of the Penal Code by using government resources of which the officer has custody or possession, including the government office, to create a photograph, video, or other communication for political advertising.

We caution that additional legal restrictions may apply to the use of any government resources, including other state or local laws or policies, and such restrictions may constitute law relating to a public servant’s office or employment under section 39.02(a)(1) of the Penal Code. This prohibition has a wide application and “allows for a vast array of potential means of committing the offense.” *State v. Martinez*, 548 S.W.3d 751, 759 (Tex. App. – Corpus Christi – Edinburg 2018), *reh’g denied*, 2018 Tex. App. LEXIS 5042 (Tex. App. – Corpus Christi – Edinburg June 11, 2018) (indictment alleging an offense under this provision must specify which law or laws relating to the public servant’s office or employment were allegedly violated). We cannot address the application of laws or policies that are outside our jurisdiction for an advisory opinion.⁸ Accordingly, we cannot provide assurance that section 39.02(a)(1) of the Penal Code, depending upon all applicable laws, would not prohibit a public officer from using other government resources that are generally accessible to the public to create a photograph, video, or other communication for political advertising.

Section 255.003(a), Election Code

Section 255.003(a) of the Election Code states, in pertinent part, that an officer of a political subdivision may not knowingly “spend or authorize the spending of public funds for political advertising.” Elec. Code § 255.003(a).⁹ The “spending” of public funds includes the use of a political subdivision employee’s work time or a political subdivision’s equipment or facilities.¹⁰

⁷ “Law relating to a public servant’s office or employment” means a law that specifically applies to a person acting in the capacity of a public servant and that directly or indirectly: (A) imposes a duty on the public servant; or (B) governs the conduct of the public servant. *Id.* § 39.01(1). “Law” means the constitution or a statute of this state or of the United States, a written opinion of a court of record, a municipal ordinance, an order of a county commissioners court, or a rule authorized by and lawfully adopted under a statute. *Id.* § 1.07(a)(30).

⁸ *See* Gov’t Code § 571.091 (specifying the laws the commission may consider in an advisory opinion).

⁹ Section 255.003(a) of the Election Code applies to an officer of a political subdivision. “Political subdivision” includes a county, city, or school district or any other government entity that possesses authority for subordinate self-government through officers selected by it. Elec. Code § 1.005(13)(C). By contrast, section 39.02 of the Penal Code applies to any public servant. *See supra*, n. 4 (defining “public servant”).

¹⁰ *See, e.g.*, Ethics Advisory Opinion No. 443 (2002) (placement of campaign flyers in a school district teachers’ lounge would involve the spending of public funds where school district employees were required to transport the flyers to an area of the school that was not accessible to the public), Ethics Advisory Opinion No. 45 (1992) (distribution of political advertising using school district equipment or school district employees on school district

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“Political advertising” is defined, in pertinent part, as a communication supporting or opposing a candidate for nomination or election to a public office or a public officer that is published or broadcast in return for consideration or appears in various forms of writing or on an Internet website. *Id.* § 251.001(16).

For purposes of section 255.003(a) of the Election Code, we have concluded that the use of a facility maintained by a political subdivision, in an area that was restricted to its employees, required government resources to operate while in that restricted area, and therefore violated section 255.003(a) of the Election Code.¹¹ Furthermore, we have found violations of section 255.003(a) of the Election Code on numerous occasions since the statute was enacted where public officers controlled the access to certain government resources.¹²

CONCLUSION

Section 39.02(a)(2) of the Penal Code prohibits a public officer from using government resources, of which the officer has custody or possession, to create a photograph, video, or other communication for political advertising. In addition, section 255.003(a) of the Election Code prohibits a public officer, who is also an officer of a political subdivision, from using government resources, such as restricted areas of government facilities, for political advertising. These statutes do not prohibit a public officer from using government resources that are equally accessible to the public for political advertising. Section 39.02(a)(1) of the Penal Code may, depending on all applicable laws, prohibit a public officer from using publicly accessible government resources for political advertising.

time would be the spending of public funds where an already existing internal mail system was used); Attorney General Opinion No. KP-177 (2018) (this statute prohibits the use of school district staff, facilities, or other resources where school districts electronically distributed links to Internet websites that were partisan in nature).

¹¹ Ethics Advisory Opinion No. 443 (2002).

¹² See, e.g., *In re Brooks* (SC-3180260) (2018) (use of a county-owned vehicle dedicated to the officer’s use), *In re Wilson* (SC-31712183) (2018) (use of a county Facebook page maintained by the officer), *In re Joiner* (SC-31605137) (2017) (use of newsletter headlined as from officer’s desk), *In re Hawkins* (SC-31011409) (2012) (use of space in a city utility bill), *In re Downs* (SC-240588) (2004) (use of space in a city water bill), *In re McRae* (SC-240226) (2004) (use of city letterhead), *In re Clark* (SC-240225) (2004) (use of city letterhead), *In re Bowman* (SC-240218) (2004) (use of emergency services district letterhead), *In re Lord* (SC-230963) (2004) (use of city-contracted video production), *In re Williams, et. al.* (SC-211170) (2001) (use of space in city water bill and airtime on city cable channel), *In re Morgan* (SC-210541) (2001) (use of internal mail system), and *In re Williams* (SC-991032) (1999) (use of special edition of sheriff’s report).