

- SUBJECT:** Revising reporting of political contributions and expenditures
- COMMITTEE:** Elections — committee substitute recommended
- VOTE:** 8 ayes — L. Taylor, Hernandez Luna, Berman, Branch, Burkett, Isaac, P. King, Veasey
- 0 nays
- 1 absent — Farias
- WITNESSES:** For — (*Registered, but did not testify:* James Guthrie, Republican Party; Melinda Kinley; Colleen Vera; Andy Wilson, Public Citizen, Inc.)
- Against — None
- On — Natalia Ashley, Texas Ethics Commission; Jack Gullahorn, Professional Advocacy Association of Texas
- BACKGROUND:** Under current law, candidates, officeholders, and political committees are not required to disclose on their campaign finance reports reimbursements from the state for state business or other amounts received during a reporting period, such as credit, interest, or refunds.
- Registered lobbyists are not required to disclose the name of officeholders who use political funds to compensate or reimburse them, usually for campaign activities.
- Election Code, Title 15 regulates political funds and campaigns. Sec. 254.031 outlines the general contents required for political reports. Government Code, ch. 305 regulates the registration of lobbyists.
- DIGEST:** CSHB 1616 would add to the list of items that would have to be included on campaign finance reports filed with the Texas Ethics Commission. The bill would require reporting the following amounts received during the reporting period:

- any credit, interest, rebate, refund, reimbursement, or return of a deposit fee resulting from the use of a political contribution or an asset purchased with a political contribution;
- any proceeds of the sale of an asset or investment purchased with a political contribution; and
- any other gain received from a political contribution.

Reports also would have to include the full name and address of each person from whom an amount described above was received, the date it was received, and the purpose for which the amount was received.

The bill also would require that the registration form for a lobbyist include the full name and address of each person who compensated or reimbursed the registrant for any reason from:

- a political contribution, as defined by current law regulating political funds and campaigns;
- interest received from a political contribution, as defined by current law regulating political funds and campaigns; or
- an asset purchased with a political contribution, as defined by current law regulating political funds and campaigns.

The changes made by the bill would apply to a report that was required to be filed on or after the effective date. The change made to a lobbyist registration form would apply to compensation or reimbursement received by a registrant on or after the effective date of the bill.

The bill would take effect September 1, 2011.

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