

## **BILL ANALYSIS**

Senate Research Center

S.B. 1277  
By: Harris  
State Affairs  
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As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Section 253.100, Government Code, was adopted more than a decade ago to allow corporations to make political expenditures to assist general purpose political action committees (PAC) with their administrative activities. Until recently, there has been little question as to whether this law allowed PACs to accept these funds for their regular activities that related to their basic administrative operations. Since September of 2003, when changes to the law made by the 78th Legislature, Regular Session, requiring reporting of all corporate administrative expenditures went into effect, it has been unclear whether certain expenditures are permissible.

As proposed, S.B. 1277 clarifies the law by establishing those PAC activities that can be supported with corporate dollars. S.B. 1277 provides that certain activities that are administrative, or incidental to the administrative functions of a PAC, are activities that can be supported with corporate dollars.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 253.100, Election Code, by amending Subsection (a) and adding Subsection (d), as follows:

(a) Sets forth expenditures to be included in the category of permissible expenditures that a corporation, acting alone or with one or more other corporations, is authorized to make to finance the establishment or administration of a general-purpose committee.

(d) Authorizes the Texas Ethics Commission to consider relevant federal election laws and opinions for guidance in issuing an advisory opinion under Subchapter D (Advisory Opinions), Chapter 571, Government Code, on the question of whether a political expenditure is for the establishment or administration of a general-purpose committee.

SECTION 2. Effective date: September 1, 2005.