

## **BILL ANALYSIS**

Senate Research Center  
85R11568 EES-F

H.B. 2465  
By: Davis, Sarah (Buckingham)  
State Affairs  
5/18/2017  
Engrossed

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

In 2013, the United States Circuit Court of Appeals for the Fifth Circuit held in *Texans for Free Enterprise v. Texas Ethics Commission* that corporations and labor organizations may make political contributions and expenditures to certain political committees that make only direct campaign expenditures that are independent of any political campaign.

H.B. 2465 codifies this decision by authorizing a corporation or labor union to make a political contribution from its own property to such a committee. This recommendation was also included in the Texas Ethics Commission's 2016 report to the legislature.

H.B. 2465 amends current law relating to political contributions by corporations and labor organizations to certain political committees.

### **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 Subchapter D, Chapter 253, Election Code, by adding Section 253.105, as follows:

Sec. 253.105. CONTRIBUTIONS TO DIRECT EXPENDITURE ONLY COMMITTEES. Authorizes a corporation or labor organization to make a political contribution from its own property to a political committee that:

- (1) is not established or controlled by a candidate or an officeholder;
- (2) makes or intends to make direct campaign expenditures;
- (3) does not make or intend to make political contributions to a candidate, an officeholder, a specific-purpose committee established or controlled by a candidate or an officeholder, or a political committee that makes or intends to make political contributions to a candidate, an officeholder, or a specific-purpose committee established or controlled by a candidate or an officeholder; and
- (4) has filed an affidavit with the Texas Ethics Commission stating the committee's intention to operate as described by Subdivisions (2) and (3).

SECTION 2. Effective date: September 1, 2017.