

## **BILL ANALYSIS**

Senate Research Center

C.S.H.B. 2491  
By: Berman (Harris)  
State Affairs  
5/8/2007  
Committee Report (Substituted)

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

Current law prohibits corporations from making a political contribution or a political expenditure that is not specifically authorized. However, the Texas Election Code provides that certain expenditures made to finance an administrative function of a general-purpose committee is not a violation of the law.

C.S.H.B. 2491 sets forth certain administrative expenditures relating to a general-purpose committee that are authorized to be paid or prohibited from being paid with corporate funds. This bill also provides for the possibility that other expenditures might also be allowable under the law by authorizing the Texas Ethics Commission to consider relevant federal election laws when issuing an advisory opinion about such an expenditure.

### **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 Subsections (d), (e), and (f), as follows:

- (a) Provides that certain expenditures toward the maintenance and operation of a general-purpose committee are permissible in addition to any other expenditure that is considered permissible under this section (Expenditures for General-Purpose Committee).
- (d) Prohibits a corporation or labor organization from making certain expenditures under this section.
- (e) Authorizes the Texas Ethics Commission to consider relevant federal election laws and opinions for guidance in issuing an advisory opinion under Subchapter D (Advisory Opinion), Chapter 571, Government Code, on the question of whether a political expenditure is for the establishment or administration of a general-purpose committee.
- (f) Provides that Subsection (d) does not apply to a corporation or labor organization making an expenditure to communicate with its stockholders or members, as applicable, or with the families of its stockholders or members under Section 253.098 (Communication with Stockholders or Members), Election Code.

SECTION 2. Effective date: upon passage or September 1, 2007.

SECTION 3. Makes application of this Act prospective.