TEXAS ETHICS COMMISSION RULES

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Promoting Public Confidence in Government

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CHAPTER 6. ORGANIZATION AND ADMINISTRATION

Subchapter A. GENERAL RULES

§6.1. Definitions

The following words and terms, when used in this part, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Act--The Government Code, Chapter 571 (concerning Texas Ethics Commission).

(2) Administrative Procedure Act--The Government Code, Chapter 2001 (concerning Administrative Procedure).

(3) Agency--The state agency governed by the commission, as it functions and operates through the administrative staff hired by the commission and its executive director.

(4) Commission--The Texas Ethics Commission, as constituted and described in the Texas Constitution, Article 3, §24a.

(5) Document--A report, complaint, response, letter, or any other written material.

(6) Executive director--The person employed by the commission to serve as the agency's chief administrative officer, or any other employee of the commission acting as the designee of the executive director.

(7) Family member or relative--An individual who is related within the second degree of affinity or consanguinity, as defined by the Government Code, Chapter 573, Subchapter B (concerning Relationships by Consanguinity or by Affinity).

(8) Filer--A person required to file a report with the commission or a local filing authority in accordance with this title.

(9) Individual--A human being who has been born and is alive.

(10) Local filing authority--A public servant other than the Texas Ethics Commission with whom a filer must file a report in accordance with this title, as identified in §20.5 of this title (relating to Reports Filed with a County Filing Authority) and §20.7 of this title (relating to Reports Filed with Other Local Filing Authority).

(11) Open Meetings Law--The Government Code, Chapter 551 (concerning Open Meetings).

(12) Open Records Law--The Government Code, Chapter 552 (concerning Open Records).

(13) Person--An individual, representative, corporation, association, or other entity, including any nonprofit corporation, or any agency or instrumentality of federal, state, or local government.

(14) Postmark--A postal cancellation by the United States Postal Service that contains the post office name, state, and zip code and the month, day, and year the canceling post office accepted custody of the material.

(15) Presiding officer--The person elected to serve as the commission's chairman or chairwoman under §6.21 of this title (relating to Officers of the Commission).

(16) Report--Any document or other information required to be filed under this title.

(17) Staff--Employees of the commission, hired by the commission or the executive director.

(18) Title 15--The Election Code, Title 15 (concerning Regulating Political Funds and Campaigns).

(19) First responder--An individual who is:

(A) a peace officer whose duties include responding rapidly to an emergency;

(B) fire protection personnel, as that term is defined by Section 419.021, Government Code;

(C) a volunteer firefighter who performs firefighting duties on behalf of a political subdivision;

(D) an ambulance driver; or

(E) an individual certified as emergency medical services personnel by the Department of State Health Services.

(20) Judicial office--The office of:

(A) chief justice or justice, supreme court;

(B) presiding judge or judge, court of criminal appeals;

(C) chief justice or justice, court of appeals;

(D) district judge;

(E) judge, statutory county court; or

(F) judge, statutory probate court.

(21) Non-judicial office--An elective public office and the secretary of state, but not including an office described by paragraph (20) of this section.

§6.3. Purpose and Construction of Rules

(a) This title is adopted for the following purposes:

(1) to establish and explain the practice and procedures followed by the commission and its employees performing its duties under the law; and

(2) to provide specific guidance necessary to encourage and ensure full compliance with all laws administered and enforced by the commission.

(b) A person's obligation to comply with a requirement or prohibition established by statute exists even if this title is silent concerning a statutory requirement.

(c) This title shall always be construed in a manner consistent with all applicable constitutional and statutory requirements.

§6.5. Authority To Adopt Rules

This title is adopted under the authority granted by the Act, the Administrative Procedure Act, and by any other law administered and enforced by the commission that establishes the commission's authority to adopt rules.

§6.7. Actions That Require Six Votes

(a) The following actions require the affirmative vote of no less than six members of the commission:

(1) to adopt a rule to administer any law administered and enforced by the commission;

(2) to render any decision on a complaint or a report of a violation as provided by the Government Code, Chapter 571 (concerning Texas Ethics Commission), other than a final decision after a formal hearing that a violation has not occurred, which requires only five votes;

(3) to prohibit participation by a member of the commission in commission proceedings relating to the investigation, complaint, or motion;

(4) without a sworn complaint, to initiate a preliminary review of an alleged violation of a law administered or enforced by the commission;

(5) to subpoena and examine witnesses and documents that directly relate to a sworn complaint and issue a written request to a peace officer to serve a subpoena of the commission in the manner prescribed for service of a district court subpoena;

(6) to order and perform a complete audit at an informal or formal hearing of a sworn complaint or commission-initiated complaint; and

(7) to initiate civil enforcement actions and refer matters to the appropriate prosecuting attorney for criminal prosecution.

(b) Any action not listed in subsection (a) of this section that requires a vote of the commission requires the affirmative vote of no less than five members of the commission.

§6.9. Computation of Time

(a) This section states how to compute a period of time prescribed or allowed by this title, by any order of the agency, or by any applicable statute. The day of the act, event, or default after which the designated period of time begins to run is not included. The last day of the period is included. However, if the last day of the time period would be a Saturday, a Sunday, or a legal holiday, the period is extended until the next day that is not a Saturday, a Sunday, or a legal holiday. A legal holiday, for purposes of this section, is any day other than a Saturday or Sunday that the agency is closed for a holiday established by state law.

(b) A time period described by statute or this title to be a certain number of business days is calculated under subsection (a) of this section without including any Saturday, Sunday, or legal holiday within that time period.

(c) A document required to be filed or served by a deadline established by statute or this title is filed or served when it is actually received. A document may be deemed to be filed or served when it is deposited with the United States Postal Service, properly addressed to the recipient, with all postage prepaid. The date of the postmark on the envelope for the document is presumed to be the date the document was deposited with the United States Postal Service.

(d) A document filed or served by delivery to the United States Postal Service is presumed to have been filed before 5:00 p.m. on the date indicated by the postmark.

Subchapter B. OFFICERS AND EMPLOYEES OF THE COMMISSION

§6.21. Officers of the Commission

(a) The commission shall select a presiding officer and a vice-presiding officer.

(b) Commission officers are elected annually by majority vote of the commission. The election shall take place at the first commission meeting held after June 1 of each year. Each officer shall serve until his or her successor is selected.

(c) The presiding officer and the vice-presiding officer shall be elected from different political party caucus lists.

(d) The presiding officer may be re-elected; however, if a new presiding officer is elected it should be from a different political party caucus list than the former presiding officer.

(e) The presiding officer shall preside at all meetings of the commission. While presiding, the presiding officer shall direct the order of the meeting, appoint committees and persons to chair committees, recognize persons to be heard at hearings, set reasonable and necessary time limits for speakers, and take other actions to clarify issues and preserve order. When the presiding officer is absent, the vice-presiding officer shall perform all duties of the presiding officer.

(f) The presiding officer may perform the following actions of the commission:

(1) Sign previously approved subpoenas and orders;

(2) Schedule hearings and meetings;

(3) Timely respond to litigation matters on behalf of the commission when action is required before the next scheduled meeting and is within the scope of the authorization granted by the commission; and

(4) Respond to matters on behalf of the commission when action is required and is within the scope of the authorization granted by the commission.

(g) The presiding officer may appoint a commissioner as chair pro tem to preside over a hearing held by the commission.

§6.23. Commission Staff

(a) The executive director is the chief administrative officer of the agency. The executive director shall attend commission meetings at the pleasure of the commission and serve as liaison between the commission and the public.

(b) The commission delegates to the executive director all powers conferred on the commission by the Act or other law, except for any power that requires a vote of the commission. Any action taken by the executive director shall conform with all applicable law, including this title and other policies that may be adopted from time to time by the commission.

(c) The executive director shall attend commission meetings unless specifically excused by the commission and shall perform any duties or assignments established by the commission.

(d) The general counsel shall attend commission meetings unless specifically excused by the commission, shall provide legal advice to the commission and executive director, and shall perform any duties delegated by the executive director.

§6.25. Appointment and Operation of Advisory Committees

(a) The commission by resolution may establish one or more committees to obtain the viewpoints and advice of interested persons with respect to any contemplated rulemaking. The membership or method of appointment of members to a committee established under this section shall be specified in the resolution that creates the committee. A committee created under this section is advisory only.

(b) In addition to committees established under subsection (a) of this section, with the consent of other members of the commission the presiding officer may from time to time establish and appoint commission members and others to a special committee to exercise advisory duties specified by the presiding officer.

Subchapter C. COMMISSION MEETINGS

§6.31. Quorum

Five commissioners must be present as a quorum to hold a commission meeting.

§6.33. Frequency of Meetings

The commission shall meet at least once a quarter at the call of the presiding officer.

§6.35. Called Meetings

The executive director shall give notice to each commissioner of the date and time of each meeting. Notice under this section shall be provided a reasonable amount of time in advance of the meeting, and may be by telephone, fax, or mail.

§6.37. Open Meetings

(a) Except as provided by subsection (b) of this section, each meeting of the commission shall be conducted in accordance with the Open Meetings Law.

(b) A commission meeting limited to consideration and action on matters relating to sworn complaints is not subject to the Open Meetings Law.

§6.39. Meeting Agenda

(a) The agenda shall consist of agenda items proposed by the executive director prior to the meetings for which the agenda is specified. At a reasonable time before filing a copy of the agenda as required by the Open Meetings Law, the executive director shall provide a copy of the proposed agenda to the presiding officer. If the presiding officer is not reasonably available, the executive director shall provide a copy of the proposed agenda to the vice-presiding officer. If the vice-presiding officer is not reasonably available, the executive director shall provide a copy of the proposed agenda to any two commissioners.

(b) The presiding officer, a commission member with the consent of the presiding officer, or any two commissioners may direct the executive director to include an item on the agenda if it complies with the posting requirements specified by law. The presiding officer may direct the executive director to remove an item included on a proposed agenda unless that item is requested by two commission members other than the presiding officer.

(c) A member of the public may ask the executive director to place an item on a proposed agenda. The executive director shall advise the commission of the request and may include the item on a proposed agenda.

§6.41. Public Hearing and Participation

(a) A public hearing on an agenda item shall be conducted when required by law or requested by a commissioner.

(b) The executive director shall prepare and maintain a plan for providing special assistance (including without limitation translation of the English language) to persons who request such assistance for the purpose of attending, observing, or participating in a commission meeting.

§6.43. Speakers Addressing the Commission

(a) The executive director shall prescribe a speaker registration form. Each person who wishes to speak at a commission meeting shall provide the following information:

(1) the speaker's name;

(2) the person or entity the speaker represents, if any;

(3) the agenda item the speaker wishes to address; and

(4) his or her mailing address and telephone number.

(b) Any person who addresses the commission shall state his or her name and the name of the person or entity the speaker represents, if any, for purposes of the tape recording under §6.47 of this title (relating to Tape Recording of Meeting; Minutes).

§6.45. Order and Conduct of Commission Meeting

(a) The presiding officer shall preside at all meetings of the commission. The presiding officer shall direct the order of the meeting in accordance with its agenda, recognize persons to be heard, set reasonable and necessary time limits for speakers, maintain and enforce appropriate standards of conduct, and take any other action necessary in his or her discretion to clarify issues and preserve order. When the presiding officer is absent, the vice-presiding officer shall perform all duties under this subsection.

(b) Commission meetings shall be conducted in accordance with rules and procedures set forth in the most recently published edition of Robert's Rules of Order.

(c) With unanimous consent of all commissioners present, any provision or requirement of this section may be waived.

(d) No action of the commission that otherwise complies with law shall be void or invalid because the action was taken in violation of a rule or procedure established by this section.

§6.47. Tape Recording of Meeting; Minutes

(a) All meetings of the commission shall be tape recorded. The tape recording shall be the official record of actions taken at the meeting.

(b) The presiding officer shall announce the names of each commissioner who makes or seconds a motion to be voted upon by the commission. After the vote has been taken, the presiding officer shall announce the vote in a manner that identifies how each commissioner voted, if a commissioner abstained, or if a commissioner was not present for the vote.

(c) The executive director shall prepare minutes after each meeting that reflect all commission votes and other actions taken during the meeting. The minutes shall be approved by vote of the commission at a subsequent commission meeting.

Subchapter D. RULEMAKING PROCEDURES

§6.61. Comments on Proposed Rules

(a) Written comments on a proposed rule received at the agency office shall be reviewed by the executive director and made available to each member of the commission before final action to adopt the rule.

(b) Oral or written comments on a proposed rule may also be offered at the public hearing required by §6.63 of this title (relating to Public Hearings on Proposed Rules).

§6.63. Public Hearings on Proposed Rules

The commission will hold a public hearing on each proposed rule before it takes final action to adopt the rule. Unless otherwise scheduled, the public hearing will be held immediately before the commission votes on the proposed rule.

Subchapter E. AGENCY FEES AND CHARGES

§6.81. Charges; Payment of Money; Refunds

(a) Any fee or charge payable to the agency shall be paid in advance, unless satisfactory arrangements for subsequent payment are approved by the executive director.

(b) Money paid by actual mistake or in excess, such as a payment not required by law, may be refunded. A mere change of purpose after the payment of money, as when a party desires to withdraw a filing, will not entitle a party to a refund.

§6.83. Copying Charges

The charge for providing copies of documents shall be in accordance with rules established by the General Services Commission or other applicable law.

§6.87. Waiver of Fees for Copies or Publications

The executive director may waive or reduce a charge established by this subchapter when, in his or her discretion, a waiver or reduction of the fee is in the public interest because furnishing the information primarily benefits the general public.

CHAPTER 8. ADVISORY OPINIONS

§8.1. Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise: AOR number--An advisory opinion request file number assigned by the executive director to a pending advisory opinion *request* in accordance with this chapter.

§8.3. Subject of an Advisory Opinion

(a) The commission *may only* issue a written advisory opinion on the *application of any of the* following laws:

(1) Government Code, Chapter 302 (concerning Speaker of the House of Representatives);

(2) Government Code, Chapter 303 (concerning Governor for a Day and Speaker's Reunion Day Ceremonies);

(3) Government Code, Chapter 305 (concerning Registration of Lobbyists);

(4) Government Code, Chapter 572 (concerning Personal Financial Disclosure, Standards of Conduct, and Conflict of Interest);

(5) Government Code, Chapter 2004 (concerning Representation Before State Agencies);

(6) Local Government Code, Chapter 159, Subchapter C, in connection with a county judicial officer, as defined by Section 159.051, Local Government Code, who elects to file a financial statement with the commission;

(7) Election Code, Title 15 (concerning Regulating Political Funds and Campaigns);

(8) Penal Code, Chapter 36 (concerning Bribery and Corrupt Influence);

(9) Penal Code, Chapter 39 (concerning Abuse of Office).

(10) Government Code, §2152.064 (concerning Conflict of Interest in Certain Transactions); and

(11) Government Code,§2155.003 (concerning Conflict of Interest).

(b) The commission *may* not issue an advisory opinion that concerns the subject matter of pending litigation known to the commission.

(c) For purposes of this section, the term litigation includes a sworn complaint proceeding before the commission only if the Government Code Subchapters C-H, Chapter 2001, applies to the proceeding.

(d) An advisory opinion cannot resolve a disputed question of fact.

§8.5. Persons Eligible To Receive an Advisory Opinion

A person who is subject to one of the laws described in §8.3(a) of this *chapter* (relating to Subject of Advisory Opinions) may request an opinion that advises how the law applies to that person in a specific real or hypothetical factual situation.

§8.7. Request for an Advisory Opinion

(a) A request for an advisory opinion shall describe a specified factual situation. The facts specified may be real or hypothetical. The request must provide sufficient detail to permit the commission to provide a response to the request, including the name of the person making the request and, if applicable, the name of the person on whose behalf the request is made.

(b) A request for an advisory opinion shall be:

(1) in writing; and

(2) *mailed or hand-delivered* to the commission at the agency office *or emailed to the commission's email address designated for receiving requests.*

§8.9. Commission Initiated Opinion

When a majority of the commission determines that an opinion would be in the public interest or in the interest of any person or persons within the jurisdiction of the commission, the commission may on its own motion issue an advisory opinion.

§8.11. Review and Processing of a Request

(a) Upon receipt of a *written* request for an advisory opinion, the executive director *shall* determine whether the *request:*

(1) *pertains to the application of a law specified* under §8.3 of this *chapter;*

(2) meets the standing requirements of §8.5 of this chapter;

(3) meets the form requirements of §8.7 of this chapter; and

(4) cannot be answered by written response under § 8.17 of this chapter by reference to the plain language of a statute, commission rule, or advisory opinion.

(b) If *the executive director determines that a request for an opinion meets the requirements of this chapter as set forth in subsections (a)(1)-(3) of this section and that the request cannot be answered by written response under §8.17 of this chapter*, the executive director *shall* assign an AOR number to the request. The executive director shall notify the person making the request of the AOR number and of the proposed wording of the question to be answered by the commission.

(c) If the *executive director determines that a request for an opinion does not meet the requirements of this chapter as set forth in subsections (a)(1)-(3) of this section or that the request can be answered by written response under §8.17 of this chapter*, the executive director

shall notify the person making the request of the reason the *person making the request is not entitled to an advisory opinion in response to the* request.

§8.13. Time Period

(a) The commission shall issue an advisory opinion *in response to a request that meets the requirements of this chapter* not later than the 60th day after the date the commission receives the request.

(b) *The time available to issue an advisory opinion in response to a written request is automatically extended for 60 days pursuant to §571.092(b), Government Code.*

§8.15. Publication in Texas Register; Comments

(a) Each request assigned an AOR number under this chapter shall be published in summary form in the Texas Register.

(b) Any person may submit written comments *to the commission* concerning an advisory opinion request. Comments submitted should reference the AOR number.

§8.17. Request Answered by Written Response

If the executive director determines *that* a request can be answered by reference to the plain language of a statute, commission rule, or *advisory opinion:*

> *(1)* the executive director *shall* provide a written response to the person making the request that cites the language of the statute, rule, or *advisory opinion,* as applicable*; and*
>
> *(2) the person making the request is not entitled to an advisory opinion in response to the request.*

§8.18. No Defense to Prosecution or Civil Penalty.

A person who requests an advisory opinion does not obtain a defense to prosecution or to imposition of a civil penalty by requesting the opinion if any of the following apply:

> *(1) the commission is not authorized to answer the request because it does not pertain to the application of a law specified under §8.3 of this chapter;*
>
> *(2) the request does not meet the standing requirements of §8.5 of this chapter;*
>
> *(3) the request does not meet the form requirements of §8.7 of this chapter; or*
>
> *(4) the executive director responds to the request by written response under §8.17 of this chapter.*

§8.19. Confidentiality

(a) The name of a person who requests an advisory opinion is confidential.

(b) The original request for an advisory opinion shall be placed in a confidential file.

(c) Confidentiality under subsection (a) of this section may be waived only if the person making the request for an advisory opinion provides a verified, written waiver of confidentiality to the executive director.

(d) If a request for a copy of an advisory opinion request is received, the executive director shall prepare a redacted version of the advisory opinion request by deleting any information that is likely to identify the person making the request. The redacted version of the request shall be provided to the person who requested a copy of the advisory opinion request.

§8.21. Compilation of Advisory Opinions

The executive director shall number and categorize each advisory opinion issued and shall annually compile a summary of advisory opinions in a single reference document. The executive director may publish and provide copies of advisory opinions in other formats as may be in the public interest.

CHAPTER 10. ETHICS TRAINING PROGRAMS

§10.1. Training Programs

Upon approval of the commission, the executive director shall establish a program to provide training relating to the laws administered and enforced by the commission and related laws for:

(1) members and members-elect of the legislature, to be held by January of each odd-numbered year;

(2) state employees, in cooperation with state agencies; and

(3) other persons and officials whose conduct is regulated by laws administered and enforced by the commission and related laws.

§10.3. Tuition Charges to Attendees of Training Programs

Upon approval of the commission, the executive director may establish tuition charges for persons who attend training programs under §10.1(3) of this title (relating to Training Programs) to recover costs of the training.

CHAPTER 12. SWORN COMPLAINTS

Subchapter A. GENERAL PROVISIONS AND PROCEDURES

§12.5. Deadline for Filing a Complaint

(a) The commission has no jurisdiction over an alleged violation:

(1) if the alleged violation is also a criminal offense, and if, at the time the complaint is filed or at the time the commission would vote to initiate a preliminary review of a matter, the allegation would be barred from criminal prosecution by operation of the applicable statute of limitations; or

(2) if the alleged violation is not also a criminal offense and if the allegation is based on facts that occurred more than three years before the date the complaint is filed or the date the commission would vote to initiate a preliminary review of a matter.

(b) For purposes of this section, a complaint is filed on the date it is hand-delivered to the commission or on the date that it is deposited in the mail or with a common or contract carrier, properly addressed, with postage prepaid.

(c) For purposes of this section, a complaint is not filed unless it complies with the requirements of section 571.122 of the Government Code.

§12.6. File Date for Purposes of Commission Response Deadline

For purposes of section 571.123 of the Government Code, the file date for a complaint is the date the complaint is received at the agency office.

§12.7. Confidentiality

(a) The commission and its employees shall not communicate any information about a sworn complaint, including whether or not a complaint has been filed, to any person other than the respondent, the complainant, and a witness or potential witness identified by the respondent, the complainant, or another witness or potential witness.

(b) Confidentiality under section 571.140 of the Government Code may be waived only if the complainant and each respondent named in the complaint provide a verified, written waiver of confidentiality to the executive director.

§12.9. Compliance with Open Meetings Law and Open Records Law

(a) The Open Meetings Law, chapter 551 of the Government Code, does not apply to a meeting or decision of the commission in connection with a complaint until written notice of a formal hearing on the complaint is sent to the respondent and complainant.

(b) The Open Records Law, chapter 552 of the Government Code, does not apply to information relating to a complaint until written notice of a formal hearing on the complaint is sent to the respondent and complainant.

§12.11. Delegation to Executive Director

Any duty or power of the commission relating to a complaint that does not require a commission vote is delegated to the executive director.

§12.13. Representation by Counsel

(a) A respondent has the right to be represented by counsel retained by the respondent in any proceeding of a complaint.

(b) Counsel representing a respondent shall enter an appearance with the commission that contains the counsel's mailing address, email address, and telephone and fax numbers. If the respondent's counsel is not licensed to practice law in Texas, the representative must show authority to appear as the respondent's counsel.

(c) The commission may, through the approval of its presiding officer, admit an attorney who is a resident of and licensed to practice law in another state, and who is not an active member of the State Bar of Texas, to represent a respondent before the commission if the nonresident attorney complies with the requirements of Tex. Gov't Code §82.0361 and Rule XIX of the Rules Governing Admission to the Bar of Texas and files a motion, accompanied by proof of compliance with those provisions, with the commission requesting to be admitted to represent a respondent.

(d) This rule does not allow a person to engage in the unauthorized practice of law.

§12.15. Appearance of Complainant at Hearing

The commission may grant a complainant the opportunity to be heard at a hearing.

§12.19. Agreements to be in Writing

No stipulation or agreement with respect to any matter in a complaint shall be effective unless it has been:

(1) reduced to writing and signed by each person making the stipulation or agreement, or by that person's authorized representative; or

(2) entered into the record during the course of a hearing.

§12.21. Notice

(a) A notice required to be sent to a complainant under chapter 571 of the Government Code shall be sent to the address most recently provided by the complainant.

(b) A notice required to be sent to a respondent under chapter 571 of the Government Code shall be sent to the address provided by the complainant or to the address most recently provided by the respondent.

(c) A person entitled to receive notice may waive that right by filing a written waiver with the executive director.

(d) A respondent or complainant in a complaint may waive the right under section 571.032 of the Government Code to receive written notices related to the complaint by registered or certified mail, restricted delivery, return receipt requested, and may agree to receive written notices related to the complaint by first class mail, electronic mail, or other means.

§12.23. Hearing in Respondent's Absence

If a respondent fails to appear at a hearing, the commission may proceed in the respondent's absence and may find credible evidence of the violations alleged in the complaint and may issue a final order imposing a civil penalty.

§12.25. Waiver of Hearing

A respondent may waive the right to a hearing.

§12.27. Deadline Extension

The executive director may extend a deadline pursuant to §571.136 of the Government Code.

§12.28. Production of Documents During Preliminary Review

(a) Before applying for the commission to issue a subpoena under §571.137(a-1) of the Government Code, commission staff must send to the person from whom records are sought a written request for the production or inspection of documents or other tangible things that:

> (1) specifies the items to be produced or inspected, either by individual item or by category, and describes with reasonable particularity each item and category; and
>
> (2) provides a reasonable amount of time, but not less than 30 days, to comply with the request.

(b) The person from whom records are sought must produce or allow the inspection of documents or other tangible things within the person's possession, custody or control within the time provided in the request, or submit in writing, as appropriate:

> (1) objections to those records that are unreasonable, improper, or unnecessary to investigate the complaint; or
>
> (2) that, after a diligent search, no items have been identified that are responsive to the request.

(c) Commission staff shall provide to the commission any response it receives to its request for production or inspection when applying for a subpoena under §571.137(a-1) of the Government Code.

§12.29. Subpoenas Issued by Commission

(a) A subpoena issued under §571.137 of the Government Code shall specify the date, time, place, and manner for execution of the subpoena.

(b) A subpoena *issued under section 571.137 of the Government Code* that requires a person to provide testimony shall be served on that person at least 10 business days before the date the subpoena is to be executed.

§12.30. Subpoenas Issued by Counsel for the Respondent

(a) This section applies only to subpoenas issued by a respondent's counsel under section 571.125(f) (concerning the issuance of a subpoena for a witness in a preliminary review hearing) or 571.130(f) (concerning the issuance of a subpoena for a witness in a formal hearing) of the Government Code.

(b) A subpoena must be issued in the name of "The State of Texas" and must:

(1) state the sworn complaint numbers for the sworn complaints at issue in the hearing at which the witness is summoned to appear;

(2) state that the subpoena pertains to a sworn complaint proceeding before the Texas Ethics Commission;

(3) state the date on which the subpoena is issued;

(4) identify the person to whom the subpoena is directed;

(5) state the time and place of the preliminary review hearing or formal hearing at which the subpoena directs the person to appear;

(6) identify the respondent at whose instance the subpoena is issued and the respondent's attorney of record;

(7) specify with reasonable particularity any documents with which the person to whom the subpoena is directed shall appear;

(8) state the text of § 12.31(i) of this chapter; and

(9) be signed by the attorney issuing the subpoena.

(c) A subpoena must command the person to whom it is directed to appear and give testimony at:

(1) a preliminary review hearing; or

(2) a formal hearing.

(d) A subpoena may only direct a person to appear, with or without documents, and give testimony at a preliminary review hearing or formal hearing before the commission.

(e) A subpoena may be issued only by the counsel of record for a respondent in a sworn complaint proceeding before the commission against that respondent.

(f) Service.

(1) Manner of service. A subpoena may be served at any place within the State of Texas by any sheriff or constable of the State of Texas, or any person who is not a party and is 18 years of age or older. A subpoena must be served by delivering a copy to the witness and tendering to that person any fees required by law. If the witness is a party and is represented by an attorney of record in the sworn complaint proceeding, the subpoena may be served on the witness's attorney of record.

(2) Deadline for service. A subpoena must be served upon the person required to appear at least 21 days before the preliminary review hearing or formal hearing at which the person is required to appear. The subpoena and proof of service must be filed with the commission within three days of its service on the person required to appear.

(3) Proof of service. Proof of service must be made by filing either:

(A) the witness's signed written memorandum attached to the subpoena showing that the witness accepted the subpoena; or

(B) a statement by the person who made the service stating the date, time, and manner of service, and the name of the person served.

(g) Response.

(1) Except as provided in this subsection, a person served with a subpoena must comply with the command stated therein unless discharged by the commission or by the party summoning such witness. A person commanded to appear and give testimony must remain at the place of hearing from day to day until discharged by the commission or the party summoning the witness.

(2) If a subpoena commanding testimony is directed to a corporation, partnership, association, governmental agency, or other organization, and the matters on which examination is requested are described with reasonable particularity, the organization must designate one or more persons to testify on its behalf as to matters known or reasonably available to the organization.

(3) A person commanded to appear with documents must produce the documents as they are kept in the usual course of business or must organize and label them to correspond with the categories in the demand.

(4) A person commanded to appear at a hearing must file any motion to quash the subpoena or objection to a requirement to appear with certain documents with the commission no later than the 14th day before the hearing at which the person is directed to appear. Commission staff may move to quash a subpoena or object to appearance with certain documents in the same manner as the person commanded to appear by the subpoena. The filer of a motion to quash or objection to a requirement to appear with certain documents must serve the motion or objection on the proponent of the subpoena in person, by mail, by commercial delivery

service, by fax, by email, or by other such manner as the presiding officer of the commission may direct, no later than the deadline for filing the motion to quash or objection to appearance with documents with the commission. After affording commission staff and the person commanded to appear an opportunity to move to quash the subpoena or object to appearance with certain documents, and affording the proponent of the subpoena an opportunity to respond to the motion to quash or objection to appearance with documents, the commission's presiding officer shall rule on a motion to quash or objection to appearance with documents.

(5) A person commanded to attend and give testimony, or to produce documents or things, at a preliminary review hearing or formal hearing may object to giving testimony or producing documents at the time and place specified for the hearing, rather than under subsection (g)(4) of this section.

(6) A party's appearance with a document in response to a subpoena directing the party to appear with the document authenticates the document for use against that party in any proceeding before the commission unless the party appearing with the document objects to the authenticity of the document, or any part of it, at the time of the party's appearance, stating the specific basis for objection. An objection must have a good faith factual and legal basis. An objection made to the authenticity of only part of a document does not affect the authenticity of the remainder. If objection is made, the party attempting to use the document should be given a reasonable opportunity to establish its authenticity. The requirement that the commission provide a reasonable opportunity to establish the document's authenticity may be satisfied by the opportunity to present a witness to authenticate the document at a subsequent hearing before the commission.

(h) A counsel for a respondent issuing a subpoena must take reasonable steps to avoid imposing undue burden or expense on the person served. In ruling on a motion to quash or objection to appearance with documents, the presiding officer must provide a person served with a subpoena an adequate time for compliance, protection from disclosure of privileged material or information, and protection from undue burden or expense. The presiding officer may impose reasonable conditions on compliance with a subpoena, including compensating the witness for undue hardship.

§12.31. Conduct and Decorum

(a) Parties, representatives, and other participants at a hearing shall conduct themselves with dignity, show courtesy and respect for one another and for the commission, and follow any additional guidelines of decorum prescribed by the presiding officer, including adherence to the amount of time allotted for the hearing. Attorneys shall adhere to the standards of conduct in the Texas Lawyer's Creed promulgated by the Supreme Court of Texas and the Court of Criminal Appeals and the Texas Disciplinary Rules of Professional Conduct promulgated by the Supreme Court of Texas.

(b) Attorneys should advise their clients and witnesses of the applicable rules of conduct and decorum.

(c) All objections, arguments, and other comments by parties shall be directed to the commission and not to an opposing party.

(d) While a party is addressing the commission or questioning a witness, any other party shall not interrupt for any purpose except to make a valid objection.

(e) Parties shall not approach the dais without leave of the presiding officer and must not lean on the dais.

(f) Parties shall remain seated at the counsel table at all times except:

(1) when addressing the commission; and

(2) whenever it may be proper to handle documents, exhibits, or other evidence.

(g) Parties must question witnesses and deliver arguments to the commission while seated at the counsel table or standing at the lectern. If a party seeks to question or argue from another location, leave of the presiding officer must be requested and granted.

(h) Parties must request leave of the presiding officer to conduct a demonstration.

(i) The presiding officer may take appropriate action to maintain and enforce proper conduct and decorum, including:

(1) issuing a warning;

(2) sanctioning a party pursuant to §12.33 of this chapter;

(3) excluding persons from the proceeding;

(4) recessing the proceeding; and

(5) clearing the hearing room of persons causing a disruption.

§12.33. Sanctioning Authority

(a) The presiding officer has the authority to impose appropriate sanctions against a party or its representative for:

(1) filing a motion or pleading that is deemed by the presiding officer to be groundless and brought:

(A) in bad faith;

(B) for the purpose of harassment; or

(C) for any other improper purpose, such as to cause unnecessary delay or needless increase in the cost of the proceeding;

(2) abuse of the discovery process in seeking, making, or resisting discovery;

(3) failure to comply with a commission order; or

(4) violating §12.31 of this chapter.

(b) The presiding officer may issue an order imposing sanctions when justified by party or representative behavior described in subsection (a) of this section and after notice and opportunity for hearing. Sanctions may include:

(1) disallowing or limiting further discovery by the offending party;

(2) charging all or part of the expenses of discovery against the offending party or its representatives;

(3) deeming designated facts be admitted for purposes of the proceeding;

(4) refusing to allow the offending party to support or oppose a claim or defense or prohibiting the party from introducing designated matters into the record;

(5) disallowing in whole or in part requests for relief by the offending party and excluding evidence in support of those requests; and

(6) striking motions or testimony in whole or in part.

§12.34. Agreed Orders

(a) The commission may enter into an agreed order with a respondent to resolve and settle a complaint filed against the respondent, including an assurance of voluntary compliance, a notice of reporting error, or an agreed order and resolution.

(b) An assurance of voluntary compliance:

(1) resolves a sworn complaint:

(A) with no determination that a violation within the jurisdiction of the commission has occurred, if entered into before a preliminary review hearing is completed; or

(B) with a determination that all violations within the jurisdiction of the commission, when viewed as a whole in consideration of any mitigating action taken by the respondent, are technical or de minimis; and

(2) may include a civil penalty.

(c) A notice of reporting error resolves a complaint with a determination that all violations within the jurisdiction of the commission are reporting errors that do not materially defeat the purpose of disclosure and may include a civil penalty in the form of an assessment fee.

(d) An agreed order and resolution resolves a sworn complaint with a determination that one or more violations within the jurisdiction of the commission occurred and may include a civil penalty.

§12.35. Frivolous Complaint

In deciding if a complaint is frivolous, the commission will be guided by the Texas Rules of Civil Procedure, Rule 13, and interpretations of that rule, and may also consider:

(1) the timing of the complaint with respect to when the facts supporting the alleged violation became known or should have become known to the complainant, and with respect to the date of any pending election in which the respondent is a candidate or is involved with a candidacy, if any;

(2) the nature and type of any publicity surrounding the filing of the complaint, and the degree of participation by the complainant in publicizing the fact that a complaint was filed with the commission;

(3) the existence and nature of any relationship between the respondent and the complainant before the complaint was filed;

(4) if respondent is a candidate for election to office, the existence and nature of any relationship between the complainant and any candidate or group opposing the respondent;

(5) any evidence that the complainant knew or reasonably should have known that the allegations in the complaint were groundless; and

(6) any evidence of the complainant's motives in filing the complaint.

§12.36. Assessment of Civil Penalty

(a) The commission shall consider the factors listed in §571.177 of the Government Code when assessing a civil penalty against a respondent, including whether the respondent timely responds to written questions or subpoenas.

(b) The commission may consider the fine amounts established by chapter 18 of this title in determining the amount of a fine to be assessed in a sworn complaint proceeding.

(c) The commission may consider a late or corrected report or corrective action to be a mitigating factor in determining the amount of a fine, if any.

Subchapter B. FILING AND INITIAL PROCESSING OF A COMPLAINT

§12.51 Non-Complying Complaint

(a) A complaint does not comply with the requirements of §571.122 of the Government Code if:

(1) the complaint includes an allegation of conduct that the commission has previously determined is not a violation of a statute or rule within the commission's jurisdiction; and

(2) before the complaint was filed the complainant was provided notice that such conduct is an invalid basis for an allegation.

(b) A complainant has been provided notice if, before a complaint is filed, the commission states the basis for rejecting an allegation in a written communication mailed to the complainant at the last address provided to the commission by the complainant, or in a written communication transmitted by electronic mail to the complainant at the last electronic mail address provided to the commission by the complainant.

(c) A complaint determined to be non-complying under subsection (a) of this section is presumed to be a frivolous or bad faith complaint.

§12.52. Response to Notice of Complaint

(a) The response required by section 571.1242 of the Government Code must:

(1) be in writing;

(2) admit or deny the allegations set forth in the complaint; and

(3) be signed by the respondent.

(b) If a respondent does not submit a response within the time period prescribed by section 571.1242 of the Government Code, the commission may issue an order imposing a civil penalty for failure to file a response.

(c) If a respondent does not submit a response that satisfies the requirements of subsection (a) of this section, the commission may issue an order imposing a penalty for failure to file a complete response.

§12.53. Commission Initiated Complaint

(a) Commission staff may gather or present documents or evidence, make recommendations, and otherwise communicate outside the presence of the respondent with commissioners in contemplation of, or in preparation for, a commission initiated preliminary review. Commissioners may request documents, evidence, or recommendations, and otherwise communicate with commission staff outside the presence of the respondent, in contemplation of, or in preparation for, a commission initiated preliminary review.

(b) A preliminary review initiated by the commission under section 571.124(b) of the Government Code is deemed to be a complaint for purposes of all further proceedings under chapter 571 of the Government Code and of this chapter.

(c) Documents or evidence gathered by the commission and commission staff in contemplation of, or in preparation for, a commission initiated preliminary review are related to the processing of a preliminary review or motion for the purposes of sections 571.139 and 571.140 of the Government Code.

(d) Discussions between the commission and commission staff regarding gathering documents or evidence in contemplation of, or in preparation for, a commission initiated preliminary review are related to the processing of a preliminary review or motion for the purposes of sections 571.139 and 571.140 of the Government Code.

§12.59. Description of Violation

(a) If a complaint does not include the specific rule or provision of law alleged to have been violated, the complaint must clearly and concisely describe facts that, if true, would constitute a violation of a law administered and enforced by the commission.

(b) A complaint that erroneously cites a specific rule or provision of law is nonetheless sufficient if the correct citation can reasonably be ascertained by the commission. When a complaint erroneously cites a specific rule or provision of law, the commission shall cite the correct rule or provision of law in the notice provided to the respondent.

§12.61. Statement of Facts

(a) The alleged facts must provide sufficient detail to reasonably place the respondent on notice of the law violated and of the manner and means by which the violation allegedly occurred and to afford the respondent a basis on which to prepare a response.

(b) The facts alleged must disclose the specific date or dates on which the alleged violation occurred, if that date is known to the complainant. If the complainant is unable to provide a specific date for the violation, the complaint must disclose a specific period of time during which the alleged violation may have occurred.

(c) The facts alleged may adopt by reference the content of documents submitted with the complaint. However, the allegations must reasonably identify those portions of the document that are relevant to the alleged violation.

§12.67. Copies and Documents Provided by the Commission

(a) The executive director shall provide to a respondent copies of all documents submitted with a complaint unless the executive director determines that certain supporting documents are redundant.

(b) If the executive director determines that supporting documents are redundant, the notice of complaint shall describe the documents and inform the respondent that the documents are available for examination by the respondent at the agency office and that copies will be provided to the respondent on request at the respondent's expense.

(c) Whenever the executive director believes a complainant or respondent may agree a document is not needed, the executive director may ask if the complainant or respondent will waive the right to receive the document.

Subchapter C. INVESTIGATION AND PRELIMINARY REVIEW

§12.81. Technical, Clerical, or *De Minimis* Violations

(a) A technical, clerical, or de minimis violation for purposes of §571.0631 of the Government Code may include a first-time allegation against a respondent for:

(1) Typographical or incomplete information on a campaign finance report that is not misleading and does not substantially affect disclosure;

(2) Failure to include a disclosure statement on political advertising;

(3) Failure of a non-incumbent to use the word "for" in a campaign communication that is not otherwise misleading;

(4) Failure to include the highway right-of-way notice on political advertising;

(5) Using a representation of the state seal by a person who is not an officeholder in political advertising that is not otherwise misleading;

(6) Filing a late campaign finance report that is not a report due 30 or 8 days before an election or a special pre-election report, and the alleged violations do not substantially affect disclosure;

(7) Filing an incomplete or corrected campaign finance report that is not a report due 30 or 8 days before an election or a special pre-election report if:

(A) the total amount of incomplete or incorrectly reported political contributions does not exceed the lesser of 10% of the total amount of political contributions on the corrected report, or $5,000;

(B) the total amount of incomplete or incorrectly reported political expenditures does not exceed the lesser of 10% of the total amount of political expenditures on the corrected report, or $5,000; or

(C) the total amount of incomplete or incorrectly reported political contributions or political expenditures does not exceed the amount of the filing fee for a place on the ballot for the office sought or held by the respondent during the period covered by the report at issue, or, if there is not a set filing fee, $500;

(8) Filing an incomplete or corrected campaign finance report if the incomplete or corrected information is not misleading and does not substantially affect disclosure, including:

(A) the filer's full name, address, office sought, or office held;

(B) the identity and date of the election for which the report is filed;

(C) the campaign treasurer's full name, address, or telephone number;

(D) the full name of each identified candidate or measure or classification by party of candidates supported or opposed by a political committee;

(E) the full name of each identified officeholder or classification by party of officeholders assisted by a political committee;

(F) the amount of total political contributions maintained as of the last day of the reporting period, if the error is a de minimis error as defined by §20.50 of this title;

(G) the purpose of a political expenditure; or

(H) the period covered by the report;

(9) Failure to timely file a campaign treasurer appointment if, before filing the campaign treasurer appointment, the total amount of political contributions accepted does not exceed $2,500 and the total amount of political expenditures made or authorized does not exceed $2,500;

(10) Failure to disclose information related to an out-of-state political committee required by §20.29 or §22.7 of this title if the total amount of political contributions accepted from the committee does not exceed $10,000 and the contributions are otherwise properly disclosed;

(11) Failure to disclose the principal occupation, job title, or employer of a contributor if the total amount of political contributions accepted from the contributor does not exceed $15,000 and the contributions are otherwise properly disclosed;

(12) As a general-purpose committee, making a political contribution to another general-purpose committee without including in its campaign treasurer appointment the name of the recipient committee before making the contribution, if the contributing committee properly disclosed the contribution;

(13) Failure to file a termination report required by §20.317 or §20.417 of this title if the period covered by the termination report is included in a subsequently filed report;

(14) Filing a campaign finance report without using the form prescribed by the commission if the report:

(A) discloses all the information required by chapter 254 of the Election Code and this title;

(B) is substantially similar in size and format to the form prescribed by the commission; and

(C) is not misleading and does not substantially affect disclosure;

(15) Making a political contribution prohibited by §253.1611, Election Code, if the contribution does not exceed the limits by more than $1,000 and the amount in excess is returned to the contributor; or

(16) Failure to timely respond to a sworn complaint if the response is no more than 30 days late and the respondent shows good cause for the late response.

(b) A technical, clerical, or de minimis violation for purposes of §571.0631 of the Government Code may include allegations against a respondent for:

(1) Typographical or incomplete information on a campaign finance report that is not misleading or does not substantially affect disclosure;

(2) Filing an incomplete or corrected campaign finance report if:

(A) the total amount of incomplete or incorrectly reported political contributions does not exceed the lesser of 5% of the total amount of political contributions on the corrected report, or $2,500; or

(B) the total amount of incomplete or incorrectly reported political expenditures does not exceed the lesser of 5% of the total amount of political expenditures on the corrected report, or $2,500; or

(3) Filing an incomplete or inaccurate campaign finance report by a general-purpose committee if, during the period covered by the report and during each of the two reporting periods preceding the period covered by the report, the committee did not:

(A) accept political contributions totaling $3,000 or more;

(B) accept political contributions from a single person totaling $1,000 or more; or

(C) make political expenditures totaling $3,000 or more.

(c) During the review of a sworn complaint under Chapter 571, Subchapter E of the Government Code, if the executive director determines that all the alleged violations are technical, clerical, or de minimis under subsection (a) of this section, the executive director may enter into an assurance of voluntary compliance with the respondent. Before entering into an assurance of voluntary compliance, the executive director may require a respondent to correct the violations.

(d) During the review of a sworn complaint under Chapter 571, Subchapter E of the Government Code, if the executive director determines that all the alleged violations are technical, clerical, or de minimis under subsection (b) of this section, the executive director may enter into an agreed resolution with the respondent. Before entering into an agreed resolution, the executive director may require a respondent to correct the violations.

(e) An assurance of voluntary compliance or an agreed resolution entered into under this section is confidential under §571.140 of the Government Code.

(f) An assurance of voluntary compliance or an agreed resolution entered into under this section may include a penalty not to exceed $500.

§12.83. Preliminary Review

(a) A *complainant or* respondent must respond to written questions not later than 15 business days after *receiving* the written questions. The executive director may grant an extension of the time period for good cause shown.

(b) If the commission staff submits written questions to a respondent, the *120-day deadline for the commission to propose an agreement to the respondent or dismiss the complaint (provided in section 571.1242(g) of the Government Code) is tolled* beginning on the date the commission

sends the written questions and *resets* on the date the commission receives the respondent's written response.

(c) If the commission staff applies to the commission for the issuance of a subpoena pursuant to section 571.137(a-1) of the Government Code, the *120-day deadline for the commission to propose an agreement to the respondent or dismiss the complaint (provided in section 571.1242(g) of the Government Code) is tolled* beginning on the date the staff applies to the commission for the subpoena and *resets* on either:

(1) the date the commission rejects the staff's application for a subpoena;

(2) the date the person to whom the subpoena is directed complies with the subpoena; or

(3) the date the commission *receives a final ruling on a person's failure or refusal to comply with a subpoena that is reported* to a district court pursuant to section 571.137(c) of the Government Code.

(d) If the commission staff proposes to a respondent an agreement to settle a complaint that would be effective upon approval by the commission and the respondent, the 120-day deadline for the commission to propose an agreement to the respondent or dismiss the complaint (provided in section 571.1242(g) of the Government Code) is met. If a respondent approves a proposed agreement, commission staff must submit the proposed agreement to the commission to seek final approval at the next scheduled commission meeting. If a respondent rejects a proposed agreement, the matter shall be set for a preliminary review hearing at the next commission meeting for which notice has not yet been posted. If a respondent rejects a proposed agreement within 45 days before the date of a commission meeting, the matter shall be set for a preliminary review hearing at the next commission meeting thereafter.

(*e*) During a preliminary review, commission staff may present documents or evidence, make recommendations, or otherwise communicate with commissioners outside the presence of the respondent for the purpose of investigating and resolving a sworn complaint.

(*f*) Commission staff may not communicate with a commissioner outside the presence of the respondent for the purpose of influencing a decision on a pending sworn complaint after the complaint has been scheduled for a preliminary review hearing and notice of the hearing has been sent to the respondent.

Subchapter D. PRELIMINARY REVIEW HEARING

§12.84. Notice of Preliminary Review Hearing

(a) Commission staff shall provide notice of a preliminary review hearing to a respondent and complainant at least 45 days before the date of the hearing and must include:

(1) the date, time, place, and nature of the hearing;

(2) a statement of the legal authority and jurisdiction under which the hearing is to be held;

(3) a reference to the particular sections of the statutes and rules involved; and

(4) a short and plain statement of the factual matters asserted.

(b) Commission staff shall provide to a respondent at least 30 days before the date of the hearing:

(1) a list of proposed witnesses to be called at the hearing and a brief statement as to the nature of the testimony expected to be given by each witness to be called at the hearing; and

(2) copies of all documents expected to be used or introduced as exhibits at the hearing.

(c) The respondent shall provide to commission staff the contents described by subsections (b)(1) and (b)(2) of this section *at least 30 days before the date of the hearing*. If a respondent or commission staff fail to comply with this section, the commission may reschedule the hearing or proceed with the hearing and exclude at the hearing evidence, documents, and testimony provided by the respondent or commission staff, as applicable, but such failure may be excused upon a showing of good cause.

§12.85. Preliminary Review Hearing

(a) Commission staff and the respondent may present any relevant evidence at a preliminary review hearing, including examination and cross-examination of witnesses.

(b) Commission staff and the respondent may present an opening and closing statement at a preliminary review hearing.

§12.86. Motions for Continuance

(a) Contents of a motion for continuance. A request to postpone a preliminary review hearing must be in writing and include the specific reasons and supporting evidence for the continuance and the dates of any previous motions for continuance.

(b) Date of filing. Motions for continuance must be received by the Commission no later than 21 days before the date of the proceeding or must provide good cause with supporting evidence for presenting the motion after that time. If the presiding officer finds good cause has been demonstrated, the presiding officer may consider a motion that is not timely filed.

(c) Responses to motions for continuance. Responses to motions for continuance must be in writing and include the date the complaint was filed and the number of previous requests to postpone filed in the case. Unless otherwise ordered or allowed by the presiding officer, responses to motions for continuance must be made no later than seven business days after receipt of the motion.

(d) Rulings on motions for continuance. A motion for continuance is not granted until it has been ruled on by the presiding officer, even if the motion is uncontested or agreed. A case is subject to default under §12.23 of this chapter for a party's failure to appear at a scheduled hearing in which a motion for continuance has not been ruled on by the presiding officer.

§12.87. Resolution of Preliminary Review Hearing

(a) At the conclusion of a preliminary review hearing in which the commission finds credible evidence of a violation:

(1) commission staff shall send to the respondent a proposed resolution within 14 days; and

(2) not later than 30 days after the respondent receives the proposed resolution, or by a later date determined by the commission, commission staff must receive from the respondent:

(A) the proposed resolution signed by the respondent;

(B) a written counter offer; or

(C) a written request that the matter be set for a formal hearing.

(b) If the respondent does not comply with subsection (a)(2) of this section, commission staff may request that the commission order a formal hearing.

(c) Commission staff shall report to the commission any written counter offer, staff's recommendation to accept or reject a counter offer, if any, or any written request that a matter be set for a formal hearing received from the respondent under subsection (a)(2) of this section.

(d) After a written counter offer or a written request that a matter be set for a formal hearing is reported to the commission, the commission by record vote of at least six commissioners shall:

(1) accept the respondent's counter offer, if any; or

(2) determine the complaint cannot be resolved and settled and order a formal hearing.

(e) The executive director shall dismiss a complaint if the commission does not order a formal hearing within 180 days after the conclusion of a preliminary review hearing.

(f) This section may not be construed as limiting the commission's authority to agree to the settlement of a complaint under section 571.121 of the Government Code, including sending a revised proposed resolution to a respondent.

Subchapter E. FORMAL HEARING

Division 1. General Procedures

§12.101. Application and Construction

The proceedings of a formal hearing shall be conducted in accordance with this subchapter, Chapter 571 of the Government Code, and Subchapters C-H, Chapter 2001, of the Government

Code (the Administrative Procedure Act) only to the extent they are consistent with Chapter 571. In the event of a conflict, Chapter 571 controls.

§12.102. Order of Formal Hearing

As soon as practicable after the commission orders a formal hearing, the executive director shall provide to the parties to the complaint, and to the complainant, a copy of the commission's decision to order the hearing. The decision shall include the date, time, and place of the hearing and be signed by the presiding officer.

§12.103. Notice of Formal Hearing

(a) Commission staff shall provide notice of a formal hearing to a respondent and complainant at least 60 days before the date of the hearing and must include, in addition to the contents required by section 571.126(b) of the Government Code:

(1) the date, time, place, and nature of the hearing;

(2) a statement of the legal authority and jurisdiction under which the hearing is to be held;

(3) a reference to the particular sections of the statutes and rules involved; and

(4) a short and plain statement of the factual matters asserted.

(b) Commission staff shall provide to a respondent and complainant at least 30 days before the date of the hearing:

(1) a list of proposed witnesses to be called at the hearing and a brief statement as to the nature of the testimony expected to be given by each witness to be called at the hearing; and

(2) copies of all documents expected to be used or introduced as exhibits at the hearing.

(c) The respondent shall provide to commission staff the contents described by subsections (b)(1) and (b)(2) of this section. The contents must be received by commission staff at least 14 days before the date of the hearing. If a respondent or commission staff fail to comply with this section, the commission may reschedule the hearing or proceed with the hearing and exclude at the hearing evidence, documents, and testimony provided by the respondent or commission staff, as applicable, but such failure may be excused upon a showing of good cause.

§12.117. Formal Hearing: Venue

When the commission orders a formal hearing the commission shall decide whether the formal hearing will be held before the commission or before the State Office of Administrative Hearings.

§12.119. Resolution after a Formal Hearing

The executive director shall dismiss a complaint if the commission fails to adopt a motion under section 571.132 of the Government Code. The dismissal shall state the complaint was dismissed because there were insufficient commission votes to find that there was or was not a violation of law.

Division 2. Scheduling, Filing, and Service

§12.121. Prehearing Conferences

The presiding officer may order that one or more prehearing conferences be held to address any matters prior to the formal hearing, including motions for discovery or subpoenas, motions for sanction, or other matters related to the hearing. The commission shall provide such an order to the parties and the complainant within 5 business days after the decision is made. The order shall include the date, time, and place of the conference and a list of the matters to be addressed at the conference.

§12.123. Scheduling Orders

(a) The following deadlines apply to a prehearing conference or formal hearing, as applicable:

(1) All motions must be filed with the commission no later than 30 days before the date of the conference or hearing;

(2) All responses to motions must be filed with the commission no later than 14 days before the date of the conference or hearing; and

(3) All replies to responses must be filed with the commission no later than 7 days before the date of the conference or hearing.

(b) A scheduling order containing the deadlines under this section shall be included with the notice required by section 571.126 of the Government Code. The presiding officer may amend a scheduling order upon the request of a party for good cause shown. A decision by the presiding officer to amend a scheduling order or to deny a motion, response, or evidence shall be issued to the parties to a hearing within 5 business days after the decision is made.

(c) The presiding officer may deny a party's motions, responses, or replies or deny a party's evidence from being admitted into the record of the hearing if the party violates a scheduling order.

§12.125. Filing of Documents

(a) Motions, responses, and other documents in a formal hearing must be filed with the Commission:

(1) by mail addressed to the commission at P.O. Box 12070, Austin, Texas 78711- 2070;

(2) by hand-delivery to the commission at 201 East 14th Street, 10th Floor;

(3) by fax to the commission at (512) 463-5777; or

(4) by email to a dedicated filing address.

(b) All documents must clearly indicate the sworn complaint number and the name of the respondent for which it is filed.

(c) Time of filing. With respect to documents filed by mail, fax, or hand-delivery, the time and date of filing shall be determined by the file stamp affixed by the commission. With respect to documents filed by email, the time and date of filing is the electronic time stamp affixed by the commissions email system. Documents received when the commission is closed shall be deemed filed the next business day.

(d) Non-conforming documents. The commission may not refuse to file a document that fails to conform with this chapter. When a filed document fails to conform to this rule, the executive director or presiding officer may identify the errors to be corrected and state a deadline.

§12.127. Service of Documents

(a) Service on all parties. On the same date a document is filed with the commission, a copy shall also be sent to each party or the party's authorized representative by hand-delivery; by regular, certified, or registered mail; by email, upon agreement of the parties; or by fax.

(b) Certificate of service. A person filing a document shall include a certificate of service that certifies compliance with this section.

(1) A certificate of service shall be sufficient if it substantially complies with the following example: "Certificate of Service: I certify that on {date}, a true and correct copy of this {name of document} has been sent to {name of opposing party or authorized representative for the opposing party} by {specify method of delivery, e.g., email, regular mail, fax, certified mail.} {Signature}"

(2) If a filing does not certify service, the commission may:

(A) return the filing;

(B) send a notice of noncompliance to all parties, stating the filing will not be considered until all parties have been served; or

(C) send a copy of the filing to all parties.

(c) Presumed time of receipt of served documents. The following rebuttable presumptions shall apply regarding a party's receipt of documents served by another party:

(1) If a document was hand-delivered to a party, the commission shall presume that the document was received on the date of filing at the commission.

(2) If a document was served by courier-receipted overnight delivery, the commission shall presume that the document was received no later than the next business day after filing at the commission.

(3) If a document was served by regular, certified, or registered mail, or non-overnight courier-receipted delivery, the commission shall presume that it was received no later than three days after mailing.

(4) If a document was served by fax or email before 5:00 p.m. on a business day, the commission shall presume that the document was received on that day; otherwise, the commission shall presume that the document was received on the next business day.

(d) Burden on sender. The sender has the burden of proving date and time of service.

Division 3. Powers and Duties of Commission and Presiding Officer

§12.131. Powers and Duties of the Presiding Officer

(a) Presiding officer's authority and duties. The presiding officer shall have the authority and duty to:

(1) conduct a full, fair, and efficient hearing;

(2) take action to avoid unnecessary delay in the disposition of the proceeding;

(3) maintain order; and

(4) rule on prehearing matters.

(b) Presiding officer's powers. The presiding officer shall have the power to regulate the hearing, and the conduct of the parties and authorized representatives, including the power to:

(1) administer oaths;

(2) take testimony, including the power to question witnesses and to request the presence of a witness from a state agency;

(3) rule on admissibility and other questions of evidence;

(4) rule on discovery issues;

(5) issue orders pursuant to this chapter;

(6) exclude irrelevant, immaterial, or unduly repetitious testimony;

(7) reasonably limit the time for presentations of evidence or argument;

(8) order parties to submit legal memoranda and proposed findings of fact and conclusions of law; and

(9) reopen the record when justice requires, if the commission has not issued a final order.

§12.133. Orders from the Commission

(a) The presiding officer has authority to issue orders to control the conduct and scope of the proceeding, including orders to:

(1) Rule on motions;

(2) Impose sanctions;

(3) Establish deadlines;

(4) Schedule and conduct pre-hearing or post-hearing conferences;

(5) Require the prefiling of exhibits and testimony;

(6) Set out requirements for participation in the case; and

(7) Take other steps conducive to a fair and efficient formal hearing.

(b) Record of rulings. Rulings not made orally at a recorded prehearing conference or hearing shall be in writing and issued to all parties of record.

(c) Consolidation or joinder for hearing. The presiding officer may order that cases be consolidated or joined for hearing if:

(1) there are common issues of law or fact; and

(2) consolidation or joint hearing will promote the fair and efficient handling of the matters.

(d) Severance of issues. The presiding officer may order severance of issues if separate hearings on the issues will promote the fair and efficient handling of the matters.

Division 5. Pleadings and Motions

§12.151. Required Form of Pleadings

(a) Content generally. Written requests for action in a formal hearing shall be typewritten or printed legibly on 8-1/2 x 11-inch paper and timely filed with the commission. Photocopies are acceptable if copies are clear and legible. All filings shall contain or be accompanied by the following:

(1) the name of the party seeking action;

(2) the sworn complaint number;

(3) the parties to the case and their status as commission staff or respondent;

(4) a concise statement of the type of relief, action, or order desired and identification of the specific reasons for and facts to support the action requested;

(5) a certificate of service, as required by §12.127(b)(1) of this chapter;

(6) any other matter required by statute or rule; and

(7) the signature of the submitting party or the party's authorized representative.

(b) Amendment or supplementation of pleadings. A party may amend or supplement its pleadings as follows:

(1) If a notice of a hearing or other documents provided to the complainant or respondent under section 571.126(b)(2) of the Government Code contain a material defect, the commission may correct the notice or other document and deliver it to the complainant and respondent as soon as practicable and in the same manner as the original notice. If the respondent does not receive the correction at least 10 days before the date of the hearing, the presiding officer may by order reschedule the hearing. The executive director shall notify the parties and the complainant of the date, time, and place of the hearing as soon as practicable.

(2) As to all other matters in a pleading, an amendment or supplementation that includes information material to the substance of the hearing, requests for relief, changes to the scope of the hearing, or other matters that unfairly surprise other parties may not be filed later than seven days before the date of the hearing, except by agreement of all parties or by permission of the presiding officer.

§12.153. Motions, Generally

(a) Purpose and effect of motions. To make a request, including to obtain a ruling, order, or any other procedural relief, a party shall file a written motion. The motion shall describe specifically the action requested and the basis for the requested action. Unless otherwise specified in this chapter, a motion is not granted until it has been ruled on by the presiding officer or commission, as applicable, even if the motion is uncontested or agreed.

(b) General requirements for motions. Except as provided in this chapter, or unless otherwise ordered by the presiding officer, all motions shall:

(1) be filed in writing no later than the applicable deadline; except, for good cause demonstrated in the motion, the presiding officer may consider a motion filed after that time or presented orally at a hearing;

(2) include a certificate of conference that complies substantially with one of the following examples:

(A) Example one: "Certificate of Conference: I certify that I conferred with {name of other party or other party's authorized representative} on {date} about this motion. {Succinct statement of other party's position on the action sought and/or a statement that the parties negotiated in good faith but were unable to resolve their dispute before submitting it to the commission for resolution.} Signature."; or

(B) Example two: "Certificate of Conference: I certify that I made reasonable but unsuccessful attempts to confer with {name of other party or other party's authorized representative} on {date or dates} about this motion. {Succinctly describe these attempts.} Signature."

(3) include a reference in the motion's title to a request for a hearing on the motion if the moving party seeks a hearing; and

(4) include a proposed order sought by the moving party.

(c) Responses to motions. Except as otherwise provided in this chapter or as ordered or allowed by the commission, responses to motions shall be in writing and filed by the applicable deadline. However, if the presiding officer finds good cause has been shown, responses to written motions may be presented orally at hearing.

(d) Other motions. In addition, other types of motions are addressed in other sections of this chapter. If there is a conflict between this section and a requirement found in another section relating to a specific type of motion, the more specific provision applies.

§12.155. Motions for Continuance and to Extend Time

(a) Contents of a motion for continuance. A request to postpone or delay a hearing or prehearing conference shall include:

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

(2) the specific reason for the continuance;

(3) whether the movant is available if the hearing or prehearing conference is continued to the next tentatively scheduled commission meeting;

(4) a certificate of conference that complies substantially with one of the examples set out in §12.153(b)(2) of this subchapter.

(b) Contents of a motion to extend time. A request for more time to file a document or respond to discovery shall include:

(1) a statement of the number of extension requests previously sought in the case by the movant;

(2) the specific reason for the request;

(3) a proposed date for the deadline the movant seeks to extend; and

(4) a certificate of conference that complies substantially with one of the examples set out in §12.153(b)(2) of this subchapter.

(c) Date of filing. Motions for continuance or to extend time shall be filed no later than five days before the date of the proceeding or deadline at issue or shall state good cause for presenting the

motion after that time. If the presiding officer finds good cause has been demonstrated, the presiding officer may consider a motion filed after that time or presented orally at the proceeding.

(d) Date of service. Motions for continuance or extension shall be served in accordance with §12.127 of this chapter. However, a motion for continuance that is filed five days or less before the date of the proceeding shall be served:

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

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

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

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

(2) the date and time of the proceeding.

(f) Responses to motions to extend time. Unless otherwise ordered by the presiding officer, responses to motions for extension of a deadline are due three days after receipt of the motion.

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

Division 6. Hearings and Prehearing Conferences

§12.161. Time Allotted to Parties

The presiding officer shall determine the amount of time allotted to each party for the presentation of its case to the commission. Upon request of a party, the presiding officer may adjust the time allotted for good cause shown or for a violation of a rule under this chapter. A determination shall be made by order or orally during the course of the proceeding.

§12.163. Presentation of Evidence

(a) Presentation by parties. After the resolution of all prehearing matters, each party shall make its presentation during the formal hearing. Commission staff shall make the first opening statement. The respondent or respondent's authorized representative shall then make an opening statement, should the respondent wish to do so at that time. The respondent may reserve the opening statement until the presentation of the respondent's case.

(b) Following opening statements, commission staff may present evidence in its case. At the conclusion of the presentation of the evidence, commission staff may rest. The respondent or the respondent's authorized representative may then make an opening statement, or, if an opening

statement has already been made, present evidence in its defense of the allegations raised in the notice of formal hearing. At the conclusion of the presentation of evidence by the respondent, the respondent may rest.

(c) After both parties have rested their case, commission staff shall make a closing argument. The respondent may then make a closing argument. Commission staff may then make a reply.

(d) Unless otherwise ordered by the presiding officer, after closing arguments, evidence will be closed and the case will be turned over to the members of the commission for deliberation and decision.

§12.165. Rules of Evidence

(a) The Texas Rules of Evidence as applied in a nonjury civil case in district court govern a formal hearing only to the extent consistent with Chapter 571 of the Government Code.

(b) Evidence may be admitted if it meets the standards set out in section 2001.081 of the Government Code.

§12.167. Numbering of Exhibits

(a) Each exhibit to be offered shall first be numbered by the offering party.

(b) Copies of the original exhibit shall be furnished by the party offering the exhibit to the commission and to each party present at the hearing unless otherwise ordered by the presiding officer.

(c) Excluded exhibits. An exhibit excluded from evidence will be considered withdrawn by the offering party and will be returned to the party.

(d) Pre-numbered exhibits may be filed with the commission prior to the formal hearing. Pre-numbered exhibits that are not offered and admitted at the hearing will be deemed withdrawn.

Division 7. Disposition of Formal Hearing

§12.171. Standard of Proof

At a formal hearing, the commission shall determine by preponderance of the evidence whether a violation within the jurisdiction of the commission has occurred.

§12.173. Default Proceedings

(a) If a respondent to whom a notice of hearing with factual allegations is served or provided fails to appear for the hearing, the commission may proceed in the respondent’s absence on a default basis.

(b) A default proceeding under this section requires adequate proof of the following:

(1) the notice of hearing to the respondent stated that the allegations listed in the notice could be deemed admitted and that the relief sought in the notice of hearing might be granted by default against the party that fails to appear at the hearing;

(2) the notice of hearing satisfies the requirements of sections 2001.051, 2001.052, and 571.126 of the Government Code; and

(3) the notice of hearing was:

(A) received by the defaulting party; or

(B) as authorized by Chapter 571 of the Government Code and this chapter, sent by regular mail or by certified mail, restricted delivery, return receipt requested, to the party's last known address as shown by the commission's records.

(c) In the absence of adequate proof to support a default, the presiding officer shall continue the hearing and direct commission staff to provide adequate notice of hearing. If adequate notice is unable to be provided, the commission may dismiss the complaint.

(d) Upon receiving the required showing of proof to support a default, the commission may by vote deem admitted the allegations in the notice of hearing and issue a default decision.

§12.174. Summary Disposition

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

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

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

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

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

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

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

(3) The first page of the motion shall contain the following statement in at least 12-point, bold-face type: "Notice to parties: This motion requests the commission to decide some or all of the issues in this case without holding an evidentiary hearing on the merits. You have 15 days after the filing of the motion to file a response. If you do not file a response, this case may be decided against you without an evidentiary hearing on the merits."

(d) Responses to motions.

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

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

(e) Summary disposition evidence.

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

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

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

(f) Proceedings on motions.

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

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

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

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

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

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

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

§12.175. Resolution of Formal Hearing

(a) As provided by section 571.139 of the Government Code, the commission may deliberate in private regarding the resolution of a sworn complaint or motion, including a dismissal of a complaint, a determination of whether a violation within the jurisdiction of the commission has occurred, and an appropriate penalty upon a finding of a violation. As provided by section 2001.061 of the Government Code, the presiding officer may permit the executive director, general counsel, or other employee of the commission who has not participated in a hearing in the complaint for the purpose of using the special skills or knowledge of the agency and its staff in evaluating the evidence.

(b) The presiding officer may announce the commission's decision on the resolution of a sworn complaint or motion after the conclusion of a formal hearing.

(c) The commission should issue a final order within 60 days after the conclusion of a formal hearing.

Chapter 16. FACIAL COMPLIANCE REVIEWS AND AUDITS.

§16.1. Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Deficiency—An error, omission, inaccuracy, or violation of a law or rule administered and enforced by the commission that is apparent on the face of a statement or report filed with the commission.

(2) Compliance review report—A report sent to a filer detailing deficiencies in a report that is the subject of a facial compliance review.

(3) Facial compliance review—A review conducted under section 571.069 of the Government Code of the information disclosed on a report, randomly selected in accordance with §16.2 of this title, filed with the commission for facial completeness, accuracy, reliability, and compliance with the law.

(4) Report—A personal financial statement, lobby registration, lobby activities report, or campaign finance report filed with the commission.

§16.2. Random Selection

The report subject to a facial compliance review must be randomly selected from a list of all reports filed by a particular filer type for a specific filing deadline.

§16.3. Corrected or Amended Report Filed During a Facial Compliance Review; Late Fines

(a) A correction filed for the report that is subject to the facial compliance review will not be subject to a late fine if:

(1) The correction is filed not later than the 30th day after the date the filer receives the compliance review report;

(2) The corrected information complies with the law; and

(3) The original report was filed in good faith and without an intent to mislead or misrepresent the information contained in the report.

(b) A late fine will not be assessed for corrections filed to correct reporting errors made in any report filed prior to the report that is subject to the facial compliance review if:

(1) The filer learned of the errors through the facial compliance review;

(2) The correction is filed not later than the 30th day after the date the filer receives the compliance review report;

(3) The corrections comply with the law; and

(4) The original report was filed in good faith and without an intent to mislead or misrepresent the information contained in the report.

(c) A correction filed in accordance with this section will not be considered a prior late offense for purposes of determining the waiver or reduction of a fine under chapter 18 of this title.

§16.4. Additional Documents and Information Submitted in Response to a Facial Compliance Review; Timeliness

(a) The commission may request from a filer documentation and other information used by the filer to compile a report that is subject to a facial compliance review.

(b) Documentation and other information requested by the commission is timely submitted if received by the commission not later than the 30th day after the date the filer receives the request for additional documentation.

§16.5. Commission Initiated Preliminary Review or Audit Resulting from a Facial Compliance Review

(a) The commission may initiate a preliminary review as authorized by §571.124 of the Government Code or perform a complete audit of a report that is subject to a facial compliance review under §571.069 of the Government Code if:

(1) a correction is not resubmitted to the commission in accordance with §16.3 of this title;

(2) documentation or other information requested by the commission during a facial compliance review is not submitted to the commission in accordance with §16.4 of this title; or

(3) the commission has determined by a vote of at least six commission members that the correction filed in response to a compliance review report, does not comply with the law.

§16.6. Notice of Audit of Report

The commission shall notify a filer that the commission will perform a complete audit of a report that is the subject of a facial compliance review not later than the seventh day after the date the commission votes to initiate the audit.

§16.7. Supporting Documentation in Response to Audit; Timeliness

(a) A filer must submit to the commission, upon request and where applicable, supporting documentation in the possession, custody, or control of the filer or filer's agents that contains information necessary for filing the report that is subject to the audit, such as:

(1) bank statements;

(2) cancelled checks;

(3) receipts;

(4) credit card statements;

(5) invoices;

(6) loan documents;

(7) books or ledgers;

(8) employee timesheets and payroll records;

(9) certificates of formation or other business documents; and

(10) real property records.

(b) A filer must submit to the commission the supporting documentation in response to an audit not later than the 30th business day from the date the filer receives notice of the audit.

§16.8. Complete Audit Report

(a) Commission staff must complete a draft audit report not later than the 30th day after the commission receives from the filer the documentation requested under §16.6 of this title.

(b) The filer must have an opportunity to confer and object in writing to any findings in the draft audit report before it is submitted to the commission for approval.

(c) Commission staff must consider the filer's objections before submitting the draft audit report to the commission for approval.

(d) Upon approval of an audit, the commission shall send to the filer a final audit report that includes:

(1) a notification that the commission has determined the report that was subject to the audit complies with the law; or

(2) required corrective actions that the filer must take to cure any deficiency found in the report that is subject to the audit.

(e) A filer must correct or amend a report to correct all deficiencies identified in a complete audit report not later than the 30th day from the date the filer receives the complete audit report.

§16.9. Representation by Attorney

(a) A filer has the right to be represented by an attorney retained by the filer during a facial compliance review or an audit initiated by the commission as a result of a facial compliance review.

(b) A letter of representation must be submitted to the commission if the filer is represented by an attorney.

§16.10. Extension of Deadlines

The executive director may extend all deadlines related to this chapter except as provided by §571.069(a) of the Government Code (relating to when a corrected or amended report is considered filed as of the date the report was originally filed).

§16.11. Waiver of Delivery by Certified Mail

A filer may waive the right under §571.032 of the Government Code to receive written notices related to a facial compliance review or audit by registered or certified mail, restricted delivery, return receipt requested, and may agree to receive written notices by first class mail, electronic mail, or other means.

§16.12. Facial Review of Total Amount of Political Contributions Maintained

(a) In this section "expected total political contributions maintained" for a report subject to review is the total amount of political contributions maintained disclosed on the previous report and all monetary political contributions, loans, and credits, less all expenditures from political contributions disclosed on the report that is subject to review, excluding the purchase of investments that can be readily converted to cash.

(b) When there is a difference greater than the threshold set by §20.50(c) of this title (relating to Total Political Contributions Maintained) between the total amount of political contributions maintained disclosed in a report and the expected total political contributions maintained, the commission may request from the filer the bank statement showing the balance as of the last day of the reporting period for each account in which political contributions are maintained.

(c) Producing the requested bank statements that show the total amount of political contributions was accurately reported in the report that is subject to review is sufficient to end the review of the total amount of political contributions maintained as disclosed in the report.

CHAPTER 18. GENERAL RULES CONCERNING REPORTS

§18.1. Forms

(a) The executive director shall prescribe forms for statements and reports required to be filed with the commission.

(b) The executive director may issue a certificate approving a form submitted to the commission for approval if the form:

(1) provides for the reporting of all information required on the prescribed form;

(2) is substantially similar in paper size and format to the prescribed form; and

(3) will not be confusing to those who use the form.

(c) A filer whose form has been approved by the executive director under subsection (b) must submit a new form for approval if information required to be reported has changed since the original form was approved.

(d) A filer who files a report using computer software provided by the commission or using computer software that meets commission specifications for a standard file format must enter data for the report in accordance with the instructions provided for the software.

(e) A filer who files a report using computer software provided by the commission must use the most current version of the software.

§18.3. Provision of Forms by Local Filing Authority

A local filing authority shall make the appropriate form available for use by persons required to file a report with that filing authority.

§18.5. Specification of Office

When a filer is required to identify the office sought by a candidate or held by an officeholder, the filer shall list the title of the public office, including the district and, if the office is an office of a political subdivision, the name of the political subdivision.

§18.7. Timely Reports and Complete Reports

(a) A report is timely if it is complete and is filed by the applicable deadline using the reporting method required by law.

(b) The deadline for any report filed electronically with the commission is midnight Central Time Zone on the last day for filing the report under the law requiring the filing of the report.

(c) A report is late if it is:

(1) incomplete;

(2) not filed by the applicable deadline; or

(3) not filed by computer diskette, modem, or other means of electronic transfer and the filer is required by law to file using one of these methods.

(d) A report filed electronically is not late if:

(1) the commission's office is closed on the deadline and the report is filed by midnight, Central Time Zone, on the next regular business day, excluding a legal holiday, when the commission's office is open; or

(2) the commission cannot accept reports on the deadline because the agency filing system is not accessible or the agency network is inoperable, and the report is filed by midnight, Central Time Zone, on the next regular business day, excluding a legal holiday, that the commission is able to accept reports.

§18.9. Corrected/Amended Reports

(a) A filer may correct/amend a report filed with the commission or a local filing authority at any time.

(b) A corrected/amended report must clearly identify how the corrected/amended report is different from the report being corrected/amended.

(c) A filer who files a corrected/amended report must submit an affidavit identifying the information that was corrected/amended.

(d) A corrected/amended report filed with the commission after the original report is due is subject to a late fine as provided by §18.13 of this title (relating to Fine for a Late Report).

(e) Subsection (d) does not apply to:

(1) a lobby registration or report, other than an activities report, that is corrected/amended not later than the 14th business day after the date the filer became aware of the errors or omissions in the original registration or report;

(2) a semiannual report that is corrected/amended before the eighth day after the original report was filed;

(3) a semiannual report that is corrected/amended on or after the eighth day after the original report was filed if:

(A) the correction/amendment is made before a sworn complaint is filed with regard to the subject of the correction/amendment; and

(B) the original report was made in good faith and without an intent to mislead or misrepresent the information contained in the report;

(4) an 8-day pre-election report that is corrected/amended in accordance with §18.10 of this title (relating to Guidelines for Substantial Compliance for a Corrected/Amended 8-day Pre-election Report);

(5) a report other than an 8-day pre-election report that is corrected/amended not later than the 14th business day after the date the filer learns the report as originally filed is inaccurate or incomplete if:

(A) the errors or omissions were made in good faith; and

(B) the filer files an affidavit stating that the errors or omissions in the original report were made in good faith.

(f) In this section, "8-day pre-election report" has the same meaning assigned by §18.10(c) of this title.

(g) Except as provided by subsections (b) and (c), this section does not apply to a civil penalty assessed through the sworn complaint or facial compliance review process.

§18.10. Guidelines for Substantial Compliance for a Corrected/Amended 8-day Pre-election Report

(a) A corrected/amended 8-day pre-election report substantially complies with the applicable law and will not be assessed a late fine under §18.9 of this title (relating to Corrected/Amended Reports) if:

(1) The original report was filed in good faith and the corrected/amended report was filed not later than the 14th business day after the date the filer learned of the errors or omissions; and

(2) The only corrections/amendments needed were to correct the following types of errors or omissions:

(A) a technical, clerical, or de minimis error, including a typographical error, that is not misleading and does not substantially affect disclosure;

(B) an error in or omission of information that is solely required for the commission's administrative purposes, including a report type or filer identification number;

(C) an error that is minor in context and that, upon correction/amendment, does not result in changed monetary amounts or activity disclosed, including a descriptive change or a change to the period covered by the report;

(D) one or more errors in disclosing contributions that, in total:

(i) do not exceed $2,000; or

(ii) do not exceed the lesser of 10% of the total contributions on the corrected/amended report or $10,000;

(E) one or more errors in disclosing expenditures that, in total:

(i) do not exceed $2,000; or

(ii) do not exceed the lesser of 10% of the total expenditures on the corrected/amended report or $10,000;

(F) one or more errors in disclosing loans that, in total:

(i) do not exceed $2,000; or

(ii) do not exceed the lesser of 10% of the amount originally disclosed or $10,000; or

(G) an error in the amount of total contributions maintained that:

(i) does not exceed $250; or

(ii) does not exceed the lesser of 10% of the amount originally disclosed or $2,500.

(b) The executive director shall determine whether an 8-day pre-election report as originally filed substantially complies with applicable law by applying the criteria provided in this section.

(c) In this section, "8-day pre-election report" means a report due eight days before an election filed in accordance with the requirements of §20.213(d), 20.325(e), or 20.425(d) of this title (relating to a candidate, a specific-purpose committee, or a general-purpose committee, respectively) and §254.064(c), 254.124(c), or 254.154(c) of the Election Code (relating to a candidate, a specific-purpose committee, or a general-purpose committee, respectively).

§18.11 Guidelines for Waiver or Reduction of a Late Fine for a Corrected/Amended 8-day Pre-election Report

(a) A filer who has filed a corrected/amended 8-day pre-election report may request the executive director to waive or reduce a late fine assessed under §18.9 of this title (relating to Corrected/Amended Reports) by submitting an affidavit to the executive director. The executive director shall waive a late fine if the report meets the criteria in subsection (b) of this section and shall reduce a late fine if the report meets the criteria in subsection (c) of this section.

(b) A late fine for a correction/amendment to an 8-day pre-election report shall be waived if:

(1) The corrected report was filed not later than the fourth day after the original report due date;

(2) The only correction/amendment by a candidate or officeholder was to add to or delete from the outstanding loans total an amount of loans made from personal funds;

(3) The only correction/amendment by a political committee was to add the name of each candidate supported or opposed by the committee, when each name was originally disclosed on the appropriate schedule for disclosing political expenditures; or

(4) The only correction/amendment was to disclose the actual amount of a contribution or expenditure, when:

(A) the amount originally disclosed was an overestimation;

(B) the difference between the originally disclosed amount and the actual amount did not vary by more than 10%; and

(C) the original report clearly included an explanation of the estimated amount disclosed and the filer's intention to file a correction/amendment as soon as the actual amount was known.

(c) A late fine for a correction/amendment to an 8-day pre-election report that does not meet the criteria for a waiver under subsection (b) of this section shall be reduced as follows:

(1) If the corrected/amended report was filed more than four days after the original report due date but was filed before the election day, the late fine is reduced to $500;

(2) If the corrected/amended report was filed after the election and the amount of the incorrectly reported or unreported activity was more than 10% of the total amount disclosed on the corrected/amended report but did not exceed the lesser of 25% of the total amount of activity, or $5,000, the late fine is reduced to $1,000; or

(3) If the amount of the incorrectly reported or unreported activity was more than 40% of the total amount disclosed in the corrected/amended report and the corrected/amended report was filed over a year after the election, the late fine is reduced to 10% of the amount at issue.

(d) A late fine that is reduced under this section will revert to the full amount originally assessed if the reduced fine is not paid on or before the 30th calendar day after the date of the notice informing the filer of the reduction.

(e) A filer may appeal a determination made under this section by submitting a request in writing to the commission.

(1) The request for appeal should state the filer's reasons for requesting an appeal, provide any additional information needed to support the request, and state whether the filer would like the opportunity to appear before the commission and offer testimony regarding the appeal.

(2) After hearing a request for appeal, the commission may affirm the determination made under this section or make a new determination based on facts presented in the appeal.

(f) This section does not apply to a civil penalty assessed through the sworn complaint process or facial compliance review process.

§18.13. Fine for a Late Report

(a) Except as provided by subsection (b) or (c) of this section, the fine is $500 for:

(1) a late report required to be filed with the commission under Election Code chapter 254 or 257, Government Code chapter 302, Government Code chapter 305, or Government Code chapter 572; or

(2) a late report filed with the commission under Local Government Code chapter 159, subchapter C.

(b) The fine for a report due eight days before an election is $500 for the first day the report is late and $100 for each day thereafter that the report is late, up to a maximum fine of $10,000.

(c) The fine for the first semiannual report under Section 254.063, 254.123, or 254.153, Election Code, that is required to be filed by a candidate or political committee following the primary or general election is $500 for the first day the report is late and $100 for each day thereafter that the report is late, up to a maximum fine of $10,000.

(d) A fine assessed under this chapter is in addition to any other sanction assessed under other law.

§18.15. Additional Fine

In addition to any other fine assessed under this chapter, the commission may vote to impose a fine against a filer whose report is more than 30 days late or who has not paid an assessed fine within 10 days after receiving the commission notice of lateness, subject to the statutory limit.

§18.17. Report Must be Filed

The payment of a civil or criminal fine for failure to file a report, or for filing a report late, does not satisfy a filer's obligation to file the report. Late fines continue to accrue until the report is filed.

§18.19. Affidavit of Timely Filing

A filer who has been notified by the commission that a report is late but who filed the report on or before the deadline may submit an affidavit to the executive director swearing that the report was timely filed.

§18.21. Jurisdiction to Consider Waiver Request

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

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

§18.23. Administrative Waiver of Fine

(a) A filer may request the executive director to waive a late fine by submitting an affidavit to the executive director that states facts that establish that:

(1) the report was filed late because of an unforeseen serious medical emergency or condition or a death that involved the filer, a family member or relative of the filer, a member of the filer's household, or a person whose usual job duties include preparation of the report;

(2) the report was filed late as a result of verifiable severe weather at the filer's location that prevented the filer from filing the report by the applicable deadline and the report was filed within a reasonable time after the deadline;

(3) the report was filed late because the filer was a first responder, as defined in §6.1 of this title (relating to Definitions), deployed to an emergency situation at the time of the filing deadline or a member of the military deployed on active duty at the time of the filing deadline and the report was filed within a reasonable time after the deadline;

(4) the filer of the personal financial disclosure report is not an elected official, a candidate for election, or a salaried public servant, and the late report:

(A) was the first personal financial disclosure report filed late by the filer under Government Code chapter 572; and

(B) was filed no later than 30 days after the individual was notified that the report appeared to be late;

(5) the filer of the personal financial disclosure report was an unopposed candidate in a primary election, and the late report:

(A) was the first personal financial disclosure report filed late by the filer under Government Code chapter 572; and

(B) was filed before the primary election.

(6) the filer of the campaign finance report:

(A) had filed all previous reports by the applicable deadline;

(B) had no contributions, expenditures, or loans to report; and

(C) filed the report no later than 30 days after the filer was notified that the report appeared to be late;

(7) the filer reasonably relied on incorrect information given to the filer by the agency; or

(8) other administrative error by the agency.

(b) If, in the executive director's discretion, the affidavit establishes grounds for a waiver under this section, the executive director shall waive the fine.

§18.24. General Guidelines for Other Administrative Waiver or Reduction of Fine

(a) A filer who does not qualify for a waiver under §18.23 of this title (relating to Administrative Waiver of Fine) may request the executive director to waive a late fine by submitting an affidavit to the executive director. The executive director may waive or reduce the late fine if the filer meets the criteria and the late report meets the qualifications under the guidelines set out in §18.25 of this title (relating to Administrative Waiver or Reduction of Fine: Report Type I) and §18.26 of this title (relating to Administrative Waiver or Reduction of Fine: Report Type II).

(b) For purposes of determining a waiver or reduction of a late fine under §18.25 and §18.26 of this title, a late report will be classified by report type, as follows:

(1) Any report that is not a critical report as defined under paragraph (2) of this subsection will be classified as Report Type I and considered under §18.25 of this title.

(2) A critical report will be classified as Report Type II and considered under §18.26 of this title. A "critical report" is:

(A) a campaign finance pre-election report due 30 days before an election;

(B) a campaign finance pre-election report due 8 days before an election;

(C) a runoff report;

(D) a daily special pre-election report required under §254.038 or §254.039, Election Code;

(E) a semiannual report subject to the higher statutory fine under §254.042, Election Code; or

(F) a personal financial statement required under §572.027, Government Code, if the filer is a candidate with an opponent on the ballot in a primary election.

(c) For purposes of determining a waiver or reduction of a late fine under §18.25 and §18.26 of this title, a filer requesting a waiver or reduction of a late fine will be categorized by filer type, as follows:

(1) Category A includes candidates for and officeholders of the following offices and specific-purpose committees supporting candidates for and officeholders of the following offices:

(A) statewide office;

(B) legislative office;

(C) district judge;

(D) state appellate court justice;

(E) State Board of Education member; and

(F) Secretary of State.

(2) Category B includes all filers not categorized in Category A, as defined by paragraph(1) of this subsection, or Category C, as defined by paragraph(3) of this subsection. Examples of Category B filers include the following filer types:

(A) lobbyists;

(B) salaried non-elected officials;

(C) candidates for and officeholders of district attorney;

(D) candidates for and officeholders of political party chair; and

(E) political committees with $3,000 or more in annual activity in the calendar year in which the late report was due.

(3) Category C includes:

(A) unsalaried appointed board members and officials; and

(B) political committees with less than $3,000 in annual activity in the calendar year in which the late report was due.

(d) For purposes of a reduction of a late fine under § 18.25 and §18.26 of this title, the following explanations will be accepted as showing good cause:

(1) The report was filed no more than one day late.

(2) The report was filed within seven days of receipt of a late notice.

(3) The report was not a critical report and was prepared and placed in the mail on time but not postmarked by the deadline.

(4) The filer had technical difficulties after regular business hours, but the report was filed on the next business day that the commission's technical support staff was at work.

(5) The filer's address changed and the filer did not receive notice of the filing deadline.

(6) There are no funds in the filer's campaign or officeholder account and the filer is unemployed.

(7) A first-time filer that is required to file campaign finance reports with a county filing authority and personal financial statements with the commission, who mistakenly files the personal financial statement with the county on the filing deadline and then correctly files with the commission within seven days of realizing the mistake.

(e) For purposes of a reduction of a late fine under § 18.25 and §18.26 of this title, the following explanations will not be accepted as showing good cause:

(1) The filer did not know the report was due.

(2) The filer forgot or the person assigned by the filer to prepare the report forgot.

(3) The campaign was very time-consuming.

(4) The filer's job was very time-consuming.

(5) The filer was too overwhelmed by responsibilities to file the report on time.

(6) The filer was a candidate who lost an election and did not know to terminate his or her campaign treasurer appointment and file a final report.

(7) The filer left his or her position and did not know he or she was still required to file a report.

(f) A late fine that is reduced under §18.25 or §18.26 of this title will revert to the full amount originally assessed if the reduced fine is not paid within thirty (30) calendar days from the date of the letter informing the filer of the reduction.

(g) A filer may appeal a determination made under §18.25 or §18.26 of this title by submitting a request in writing to the commission.

(1) The request for appeal should state the filer's reasons for requesting an appeal, provide any additional information needed to support the request, and state whether the filer would like the opportunity to appear before the commission and offer testimony regarding the appeal.

(2) After hearing a request for appeal, the commission may affirm the determination made under §18.25 or §18.26 of this title or make a new determination based on facts presented in the appeal.

§18.25. Administrative Waiver or Reduction of Fine: Report Type I

(a) The executive director shall apply the guidelines set out in this section to a late report classified as Report Type I under §18.24(b) of this title (relating to General Guidelines for Other Administrative Waiver or Reduction of Fine).

(b) In order to qualify for a waiver or reduction of a late fine under this section, a filer must meet all of the following criteria:

(1) The filer has no more than two prior late offenses in the five (5) years preceding the filing deadline of the late report at issue;

(2) The filer filed the report within thirty (30) days of learning the report was late;

(3) The filer has not had the late fine for the report at issue increased by the commission at a public meeting pursuant to §254.042(b), Election Code, or §305.033(c) or §572.033(b), Government Code; and

(4) The filer does not have an outstanding late fine.

(c) The executive director shall use the following levels chart to determine the level of waiver or reduction of a late fine under this section:

Report Type I Levels Chart

(For All Reports Other Than Critical Reports)

LEVEL	# OF PRIORS IN LAST 5 YEARS	CATEGORY A	CATEGORY B	CATEGORY C	EXPLANATORY NOTE
1	0	Waiver	Waiver	Waiver	
1.5	1	$150	$100	$50	Level 2 violation with good cause shown*
2	1	$300	$200	$100	
2.5	2	$400	$300	$150	Level 3 violation with good cause shown*
3	2	$500	$500	$250	

*The categorization shifts one-half level (from Level 2 to 1.5; from Level 3 to 2.5) if the filer's explanation qualifies as good cause under section 18.24(d) of this title.

§18.26. Administrative Waiver or Reduction of Fine: Report Type II

(a) The executive director shall apply the guidelines set out in this section to a late report classified as Report Type II under §18.24(b) of this title (relating to General Guidelines for Other Administrative Waiver of Reduction of Fine).

(b) In order to qualify for a waiver or reduction of a late fine under this section, a filer must meet all of the following criteria:

(1) The filer has no more than two prior late offenses in the five (5) years preceding the filing deadline of the late report at issue;

(2) The filer has not had the late fine for the report at issue increased by the commission at a public meeting pursuant to §254.042(b), Election Code, or §305.033(c) or §572.033(b), Government Code; and

(3) The filer does not have an outstanding late fine.

(c) The executive director shall use the following levels chart to determine the level of waiver or reduction of a late fine under this section if:

(1) The late report at issue discloses less than $3,000 in total contributions and less than $3,000 in expenditures for the reporting period;

(2) The late report at issue was filed no more than thirty (30) days after the filer learned that the report was late; and

(3) The filer has no prior late offenses or only one prior late offense in the five (5) years preceding the filing deadline of the late report at issue.

Report Type II Levels Chart

(For Critical Reports under section 18.26(c))

LEVEL	# OF PRIORS IN LAST 5 YEARS	CATEGORY A	CATEGORY B	CATEGORY C	EXPLANATORY NOTE
1.5	0	$150	$100	$50	Level 2 violation with good cause shown*
2	0	$300	$200	$100	
2.5	1	$400	$300	$150	Level 3 violation with good cause shown*
3	1	$500	$500	$250	

*The categorization shifts one-half level (from Level 2 to 1.5; from Level 3 to 2.5) if the filer's explanation qualifies as good cause under section 18.24(d) of this title.

(d) The executive director shall use the following formulas chart to determine the level of waiver or reduction of a late fine under this section if:

(1) The late report at issue discloses either $3,000 or more in total contributions or $3,000 or more in expenditures for the reporting period;

(2) The late report at issue was filed over thirty (30) days after the filer learned that the report was late; or

(3) The filer has two (2) prior late offenses in the five (5) years preceding the filing deadline of the late report at issue.

Report Type II Formulas Chart

(For Critical Reports under section 18.26(d))

Category A

NO GOOD CAUSE	EXPLANATORY NOTES
Starting Fine = $500	1st day late
+ $100 a day, up to $1,000	2nd – 11th days late
+ $500 for every full 30 days thereafter, up to $10,000	12th day late – Filed Date: Take # of days divided by 30; drop remainder days that do not make a full 30-day segment
GOOD CAUSE SHOWN	**EXPLANATORY NOTES**
Starting Fine = $150 (0 priors); or Starting Fine = $400 (1 or 2 priors)	1st day late
+ $100 a day, up to $1,000	2nd – 11th days late
+ $500 every full 30 days thereafter, up to $10,000	12th day late – Filed Date: Take # of days divided by 30; drop remainder days that do not make a full 30-day segment

Category B

NO GOOD CAUSE	EXPLANATORY NOTES
Starting Fine = $500	1st day late
+ $100 a day, up to $500	2nd – 6th days late
+ $250 every full 30 days thereafter, up to $5,000	7th day late – Filed Date: Take # of days divided by 30; drop remainder days that do not make a full 30-day segment
GOOD CAUSE SHOWN	**EXPLANATORY NOTES**
Starting Fine = $100 (0 priors); or Starting Fine = $300 (1 or 2 priors)	1st day late
+ $100 a day, up to $500	2nd – 6th days late

+ $250 every full 30 days thereafter, up to $5,000	7th day late – Filed Date: Take # of days divided by 30; drop remainder days that do not make a full 30-day segment

Category C

NO GOOD CAUSE	**EXPLANATORY NOTES**
Starting Fine = $500	1st day late
+ $100 a day, up to $500	2nd – 6th days late
+ $250 every full 30 days thereafter, up to $5,000	7th day late – Filed Date: Take # of days divided by 30; drop remainder days that do not make a full 30-day segment
GOOD CAUSE SHOWN	**EXPLANATORY NOTES**
Starting Fine = $50 (0 priors); or Starting Fine = $150 (1 or 2 priors)	1st day late
+ $100 a day, up to $500	2nd – 6th days late
+ $250 every full 30 days thereafter, up to $5,000	7th day late – Filed Date: Take # of days divided by 30; drop remainder days that do not make a full 30-day segment

(e) Comments:

Report Type II Formulas Chart Examples:

(1) Candidate X seeking the office of State Representative (Category A filer type)
Report: 30-day pre-election report due February 3, 2014 (Report Type II)
Filed Date: February 4, 2014 (1 day late; good cause under section 18.24(d))
Activity: contributions = $10,000; expenditures = $5,000 (use Formulas Chart)
Prior offenses: none
Penalty: $500
Determination: reduction to $150

Formula Calculation = $150 (Category A, Good Cause, 0 Priors, 1st day late)

(2) Large GPAC filing under the regular (semiannual) filing schedule (Category B filer type)
Report: 30-day pre-election report due February 3, 2014 (Report Type II)
Filed Date: February 4, 2014 (1 day late; good cause under section 18.24(d))
Activity: contributions = $10,000; expenditures = $5,000 (use Formulas Chart)
Prior offenses: two prior late reports in the last five years
Penalty: $500

Determination: reduction to $300

Formula Calculation = $300 (Category B, Good Cause, 2 Priors, 1st day late)

(3) Candidate Y seeking the office of District Judge (Category A filer type)
Report: 8-day pre-election report due February 24, 2014 (Report Type II)
Filed Date: March 20, 2014 (24 days late; filed within 7 days of late notice; good cause under section 18.24(d))
Activity: contributions = $10,000; expenditures = $5,000 (use Formulas Chart)
Prior offenses: none
Penalty: $2,800
Determination: reduction to $1,150

Formula Calculation = $150 (Category A, Good Cause, 0 Priors, 1st day late) + $1,000 (next 10 days late @ $100 per day) + $0 (remaining 13 days late do not add up to full 30-day segment) = $1,150.

(4) Large GPAC filing under the regular (semiannual) filing schedule (Category B filer type)
Report: 30-day pre-election report due February 3, 2014 (Report Type II)
Filed Date: April 4, 2014 (60 day late)
Activity: contributions = $10,000; expenditures = $5,000
Prior offenses: five prior late reports in the last five years
Penalty: $500
Determination: no waiver

Filer did not meet the criteria under subsection (b)(1) of this section because the filer has over two prior late offenses in the five years preceding the report due date.

§18.31. Adjustments to Reporting Thresholds

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

Campaign Finance Reports: Section of Election Code	Threshold Description	Original Threshold Amount	Adjusted Amount
253.031(b)	The amount of political contributions or political expenditures permitted by a political committee before a campaign treasurer appointment is required	$500	$870
253.031(d)(2)	The amount of political contributions or political expenditures permitted by a county executive party of a political party before a campaign treasurer appointment is required	$25,000	$32,320

Campaign Finance Reports: Section of Election Code	Threshold Description	Original Threshold Amount	Adjusted Amount
254.031(a)(1)	Threshold at which contributor information is required to be reported	$50	$90
254.031(a)(2)	Threshold at which lender information is required to be reported	$50	$90
254.031(a)(3)	Threshold at which information on the payee of a political expenditure is required to be reported	$100	$180
254.031(a)(5)	Threshold below which contributor information is not required to be reported	$50	$90
254.031(a)(5)	Threshold below which payee information is not required to be reported	$100	$180
254.031(a)(9)	Threshold at which the source of any credit, interest, return of deposit fee from political contributions or asset is required to be reported	$100	$130
254.031(a)(10)	Threshold at which the proceeds from sale of a political asset is required to be reported	$100	$130
254.031(a)(11)	Threshold at which any gain from an investment purchased with political contributions is required to be reported	$100	$130
254.031(a)(12)	Threshold at which any other gain from political contribution is required to be reported	$100	$130
254.0311(b)(1)	Threshold at which contributor information for contributions from non-caucus members is required to be reported by a caucus	$50	$90
254.0311(b)(2)	Threshold at which lender information is required to be reported by a caucus	$50	$90
254.0311(b)(3)	Threshold at which payee information for	$50	$90

Campaign Finance Reports: Section of Election Code	Threshold Description	Original Threshold Amount	Adjusted Amount
	expenditures is required to be reported by a caucus		
254.0311(b)(3)	Threshold below which payee information for expenditures is not required to be reported by a caucus	$50	$90
254.0311(b)(4)	Threshold below which contributor and payee information is not required to be reported by a caucus	$50	$90
254.0312	Threshold at which the best efforts rule requires one to make a written or oral request for contributor information in order to be considered in compliance when contributor information is missing	$500	$680
253.032(a)	Threshold of contributions accepted from an out-of-state political committee above which a certain written statement or a statement of organization is required	$500	$900
253.032(a)(1)	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	$100	$180
253.032(e)	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	$500	$900
254.036	Threshold of political contributions and political expenditures below which a filer qualifies for the electronic filing exemption, if certain conditions are met	$20,000	$27,140

Campaign Finance Reports: Section of Election Code	Threshold Description	Original Threshold Amount	Adjusted Amount
254.038(a)	Contribution threshold triggering a Special Report Near Election by Certain Candidates and Political Committees during the 9 days before election	$1,000	$1,790
254.039	Contribution threshold triggering Special Report Near Election by GPACs during the 9 days before election	$5,000	$6,090
254.039	Direct Campaign expenditure thresholds triggering Special Report Near Election by GPACs ($1,000 for single candidate or $15,000 for group of candidates) during the 9 days before election	$1,000/$15,000	$1,790/$26,780
254.0611(a)(2)	Threshold at which principal occupation/employer information for contributors to judicial filers is required to be reported	$50	$90
254.0611(a)(3)	Threshold at which the disclosure of an asset purchased with political contributions is required to be reported by judicial filers	$500	$900
254.0612	Threshold at which principal occupation/employer information for contributors to statewide executive and legislative candidates is required to be reported	$500	$900
254.095	Threshold of political contributions or political contributions below which a report is not required for officeholders who do not file with the Commission, unless also a candidate	$500	$900

Campaign Finance Reports: Section of Election Code	Threshold Description	Original Threshold Amount	Adjusted Amount
254.151(6)	Threshold at which the principal occupation for GPAC contributors is required to be reported	$50	$90
254.1541(a)	Threshold of political contributions and political expenditures below which a GPAC has a $100 contribution itemization threshold, rather than $50	$20,000	$25,860
254.1541(b)	Contribution reporting threshold for GPACs qualifying under section 254.1541 set to $100	$100	$180
254.156(1)	Threshold at which contributor, lender, and payee information is required for a political contribution, loan, or expenditure, respectively, to an MPAC	$10	$20
254.156(2)	Threshold at which contribution information for MPACs qualifying under section 254.1541 is set to $20	$20	$40
254.181, 254.182, 254.183	Threshold of political contributions and political expenditures below which a candidate or SPAC may elect to avoid certain pre-election filing requirements (modified reporting)	$500	$900
254.261	Threshold at which a person making direct campaign expenditures in an election must disclose the expenditures, including payee information	$100	$130

Lobby Registrations and Reports: Section of Government Code	Threshold Description	Original Threshold Amount	Adjusted Amount
305.003(1)	Threshold of expenditures over which a person must register as a lobbyist	$500, by 1 Tex. Admin. Code §34.41	$780
305.003(2)	Threshold of compensation or reimbursement over which a person must register as a lobbyist	$1,000, by 1 Tex. Admin. Code §34.43	$1,560
305.004(7)	Threshold of expenditures and compensation below which a person lobbying on behalf of political party is excepted from the requirement to register as a lobbyist	$5,000	$8,930
305.005(g)(2)	Threshold of category to report compensation less than $10,000	$10,000	$17,860
305.005(g)(3)	Upper threshold of category to report compensation of at least $10,000 but less than $25,000	$25,000	$44,630
305.005(g)(4)	Upper threshold of category to report compensation of at least $25,000 but less than $50,000	$50,000	$89,260
305.005(g)(5)	Upper threshold of category to report compensation of at least $50,000 but less than $100,000	$100,000	$178,520
305.005(g)(6)	Upper threshold of category to report compensation of at least $100,000 but less than $150,000	$150,000	$267,770
305.005(g)(7)	Upper threshold of category to report compensation of at least $150,000 but less than $200,000	$200,000	$357,030
305.005(g)(8)	Upper threshold of category to report compensation of at least $200,000 but less than $250,000	$250,000	$446,280
305.005(g)(9)	Upper threshold of category to report compensation of at least $250,000 but less than $300,000	$300,000	$535,540
305.005(g)(10)	Upper threshold of category to report compensation of at least $300,000 but less than $350,000	$350,000	$624,790

Lobby Registrations and Reports: Section of Government Code	Threshold Description	Original Threshold Amount	Adjusted Amount
305.005(g)(11)	Upper threshold of category to report compensation of at least $350,000 but less than $400,000	$400,000	$714,050
305.005(g)(12)	Upper threshold of category to report compensation of at least $400,000 but less than $450,000	$450,000	$803,310
305.005(g)(13)	Upper threshold of category to report compensation of at least $450,000 but less than $500,000	$500,000	$892,560
305.005(g-1)	Threshold of compensation or reimbursement at which a registrant must report the exact amount	$500,000	$892,560
305.0061(c)(3)	Threshold over which the name of a legislator who is the recipient of a gift, a description of the gift, and amount of the gift is required to be disclosed	$50	$90
305.0061(e-1)	Threshold below which an expenditure for food or beverages is considered a gift and reported as such	$50	$90
305.0063	Threshold of expenditures below which a registrant may file lobby activities reports annually instead of monthly	$1,000	$1,790

Personal Financial Statements: Section of Gov't Code	Threshold Description	Original Threshold Amount	Adjusted Amount
572.022(a)(1)	Threshold of category to report an amount less than $5,000	less than $5,000	less than $8,930
572.022(a)(2)	Threshold of category to report an amount of at least $5,000 but less than $10,000	$5,000 to less than $10,000	$8,930 to less than $17,860
572.022(a)(3)	Threshold of category to report an amount of at least $10,000 but less than $25,000	$10,000 to less than $25,000	$17,860 to less than $44,630

Personal Financial Statements: Section of Gov't Code	Threshold Description	Original Threshold Amount	Adjusted Amount
572.022(a)(4)	Threshold of category to report an amount of at least $25,000 or more	$25,000 or more	$44,630 or more
572.005, 572.023(b)(1)	Threshold to disclose the source and category of amount of retainer received by a business entity in which the filer has a substantial interest; section 572.005 defines substantial interest, in part, as owning over $25,000 of the fair market value of the business entity	$25,000	$44,630
572.023(b)(4)	Threshold over which income from interest, dividends, royalties, and rents is required to be reported	$500	$900
572.023(b)(5)	Threshold over which the identity of each loan guarantor and person to whom filer owes liability on a personal note or lease agreement is required to be reported	$1,000	$1,790
572.023(b)(7)	Threshold of value over which the identity of the source of a gift and a gift description is required to be reported	$250	$450
572.023(b)(8)	Threshold over which the source and amount of income received as beneficiary of a trust asset is required to be reported	$500	$900

Speaker Election and Certain Ceremonial Reports: Section of Government Code	Threshold Type	Current Threshold Amount	Adjusted Amount
302.014(4)	Expenditure of campaign funds over $10 must be disclosed, including payee's name and address and the purpose	$10	$20
303.005(a)(1) – (10)	Thresholds applicable to contribution and expenditure disclosure requirements for a governor for a day or speaker’s reunion day ceremony report	$50	$90

(b) The effective date of this rule is January 1, 2020.

CHAPTER 20. REPORTING POLITICAL CONTRIBUTIONS AND EXPENDITURES

Subchapter A. GENERAL RULES

§20.1. Definitions

The following words and terms, when used in Title 15 of the Election Code, in this chapter, Chapter 22 of this title (relating to Restrictions on Contributions and Expenditures), and Chapter 24 of this title (relating to Restrictions on Contributions and Expenditures Applicable to Corporations and Labor Organizations), shall have the following meanings, unless the context clearly indicates otherwise.

(1) Campaign communication--The term does not include a communication made by e-mail.

(2) Campaign treasurer--Either the individual appointed by a candidate to be the campaign treasurer, or the individual responsible for filing campaign finance reports of a political committee under Texas law or the law of any other state.

(3) Contribution--The term does not include a transfer for consideration of any thing of value pursuant to a contract that reflects the usual and normal business practice of the vendor.

(4) Corporation--The term does not include professional corporations or professional associations.

(5) Election cycle--A single election and any related primary or runoff election.

(6) Identified measure--A question or proposal submitted in an election for an expression of the voters' will and includes the circulation and submission of a petition to determine whether a question or proposal is required to be submitted in an election for an expression of the voters' will.

(7) Non-political expenditure--An expenditure from political contributions that is not an officeholder expenditure or a campaign expenditure.

(8) Opposed candidate--A candidate who has an opponent whose name is to appear on the ballot. The name of a write-in candidate does not appear on the ballot.

(9) Out-of-state political committee--A political committee that makes political expenditures outside Texas and in the 12 months immediately preceding the making of a political expenditure by the committee inside Texas (other than an expenditure made in connection with a campaign for a federal office or made for a federal officeholder), makes 80% or more of the committee's total political expenditures in any combination of elections outside this state and federal offices not voted on in this state. Section 20.13 of this title (relating to Out-of-State Committees) explains the practical application of this definition.

(10) Pledge--A contribution in the form of an unfulfilled promise or unfulfilled agreement, whether enforceable or not, to provide a specified amount of money or

specific goods or services. The term does not include a contribution actually made in the form of a check.

(11) Political advertising:

(A) A communication that supports or opposes a political party, a public officer, a measure, or a candidate for nomination or election to a public office or office of a political party, and:

(i) is published in a newspaper, magazine, or other periodical in return for consideration;

(ii) is broadcast by radio or television in return for consideration;

(iii) appears in a pamphlet, circular, flier, billboard, or other sign, bumper sticker, or similar form of written communication; or

(iv) appears on an Internet website.

(B) The term does not include an individual communication made by e-mail but does include mass e-mails involving an expenditure of funds beyond the basic cost of hardware messaging software and bandwidth.

(12) Political subdivision--A county, city, or school district or any other governmental entity that:

(A) embraces a geographic area with a defined boundary;

(B) exists for the purpose of discharging functions of government; and

(C) possesses authority for subordinate self-government through officers selected by it.

(13) Report--Any document required to be filed by this title, including an appointment of campaign treasurer, any type of report of contributions and expenditures, and any notice.

(14) Special pre-election report--A shorthand term for a report filed in accordance with the requirements of §§20.221, 20.333, or 20.435 of this title (relating to Special Pre-Election Report by Certain Candidates; Special Pre-Election Report by Certain Specific-Purpose Committees; Special Pre-Election Reports by Certain General-Purpose Committees) and §§254.038 and §254.039 of the Election Code (relating to Special Report Near Election by Certain Candidates and Political Committees and Special Report Near Election By Certain General-Purpose Committees).

(15) Specific-purpose committee--A political committee that does not meet the definition of general-purpose committee and that has among its principal purposes:

(A) supporting or opposing one or more:

(i) candidates, all of whom are identified and are seeking offices that are known; or

(ii) measures, all of which are identified;

(B) assisting one or more officeholders, all of whom are identified; or

(C) supporting or opposing only one candidate who is unidentified or who is seeking an office that is unknown.

(16) Unidentified measure--A question or proposal that is intended to be submitted in an election for an expression of the voters' will and that is not yet legally required to be submitted in an election, except that the term does not include the circulation or submission of a petition to determine whether a question or proposal is required to be submitted in an election for an expression of the voters' will. The circulation or submission of a petition to determine whether a question or proposal is required to be submitted in an election for an expression of the voters' will is considered to be an identified measure.

(17) Principal purpose--A group has as a principal purpose of accepting political contributions or making political expenditures, including direct campaign expenditures, when that activity is an important or a main function of the group.

(A) A group may have more than one principal purpose.

(B) A group has as a principal purpose accepting political contributions if the proportion of the political contributions to the total contributions to the group is more than 25 percent within a calendar year. A contributor intends to make a political contribution if the solicitations that prompted the contribution or the statements made by the contributor about the contribution would lead to no other reasonable conclusion than that the contribution was intended to be a political contribution.

(C) The group may maintain specific evidence of contributions related only to political contributions or only to nonpolitical contributions. For example, the group may ask the contributor to make an indication when the contribution is made that the contribution is only a nonpolitical contribution.

(D) A group has as a principal purpose making political expenditures, including direct expenditures, if the group expends more than 25 percent of its annual expenses to make political expenditures within a calendar year. The following shall be included for purposes of calculating the threshold:

(i) the amount of money paid in compensation and benefits to the group's employees for work related to making political expenditures;

(ii) the amount of money spent on political expenditures; and

(iii) the amount of money attributable to the proportional share of administrative expenses related to political expenditures. The proportional

share of administrative expenses is calculated by comparing the political expenditures in clause (ii) with nonpolitical expenditures. (For example, if the group sends three mailings a year and each costs $10,000, if the first two are issue based newsletters and the third is a direct advocacy sample ballot, and there were no other outside expenditures, then the proportion of the administrative expenses attributable to political expenditures would be 33%.) Administrative expenses include:

(I) fees for services to non-employees;

(II) advertising and promotion;

(III) office expenses;

(IV) information technology;

(V) occupancy;

(VI) travel expenses;

(VII) interest; and

(VIII) insurance.

(E) The group may maintain specific evidence of administrative expenses related only to political expenditures or only to nonpolitical expenditures. Specifically identified administrative expenses shall not be included in the proportion established by subparagraph (D)(iii) but allocated by the actual amount of the expense.

(F) In this section, the term "political expenditures" includes direct campaign expenditures.

(18) In connection with a campaign:

(A) An expenditure is made in connection with a campaign for an elective office if it is:

(i) made for a communication that expressly advocates the election or defeat of a clearly identified candidate by:

(I) using such words as “vote for,” “elect,” “support,” “vote against,” “defeat,” “reject,” “cast your ballot for,” or “Smith for city council;” or

(II) using such phrases as “elect the incumbent” or “reject the challenger,” or such phrases as “vote pro-life” or “vote pro-choice” accompanied by a listing of candidates described as “pro-life” or “pro-choice;”

(ii) made for a communication broadcast by radio, television, cable, or satellite or distributed by print or electronic media, including any print publication, mailing, Internet website, electronic mail, or automated phone bank, that:

(I) refers to a clearly identified candidate;

(II) is distributed within 30 days before a contested election for the office sought by the candidate;

(III) targets a mass audience or group in the geographical area the candidate seeks to represent; and

(IV) includes words, whether displayed, written, or spoken; images of the candidate or candidate's opponent; or sounds of the voice of the candidate or candidate's opponent that, without consideration of the intent of the person making the communication, are susceptible of no other reasonable interpretation than to urge the election or defeat of the candidate;

(iii) made by a candidate or political committee to support or oppose a candidate; or

(iv) a campaign contribution to:

(I) a candidate; or

(II) a group that, at the time of the contribution, already qualifies as a political committee.

(B) An expenditure is made in connection with a campaign on a measure if it is:

(i) made for a communication that expressly advocates the passage or defeat of a clearly identified measure by using such words as "vote for," "support," "vote against," "defeat," "reject," or "cast your ballot for;"

(ii) made for a communication broadcast by radio, television, cable, or satellite or distributed by print or electronic media, including any print publication, mailing, Internet website, electronic mail, or automated phone bank, that:

(I) refers to a clearly identified measure;

(II) is distributed within 30 days before the election in which the measure is to appear on the ballot;

(III) targets a mass audience or group in the geographical area in which the measure is to appear on the ballot; and

(IV) includes words, whether displayed, written, or spoken, that,

without consideration of the intent of the person making the communication, are susceptible of no other reasonable interpretation than to urge the passage or defeat of the measure;

(iii) made by a political committee to support or oppose a measure; or

(iv) a campaign contribution to a group that, at the time of the contribution, already qualifies as a political committee.

(C) Any cost incurred for covering or carrying a news story, commentary, or editorial by a broadcasting station or cable television operator, Internet website, or newspaper, magazine, or other periodical publication, including an Internet or other electronic publication, is not a campaign expenditure if the cost for the news story, commentary, or editorial is not paid for by, and the medium is not owned or controlled by, a candidate or political committee.

(D) For purposes of this section:

(i) a candidate is clearly identified by a communication that includes the candidate's name, office sought, office held, likeness, photograph, or other apparent and unambiguous reference; and

(ii) a measure is clearly identified by a communication that includes the measure's name or ballot designation (such as "Proposition 1"), purposes, election date, or other apparent and unambiguous reference.

(19) Discount--The provision of any goods or services without charge or at a charge which is less than fair market value. A discount is an in-kind political contribution unless the terms of the transaction reflect the usual and normal practice of the industry and are typical of the terms that are offered to political and non-political persons alike, or unless the discount is given solely in order to comply with §253.041 of the Election Code. The value of an in-kind contribution in the form of a discount is the difference between the fair market value of the goods or services at the time of the contribution and the amount charged.

(20) School district--For purposes of §254.130 of the Election Code and §§20.3 (relating to Reports Filed with the Commission), 20.7 (relating to Reports Filed with Other Local Filing Authority), and 20.315 (relating to Termination of Campaign Treasurer Appointment) of this title, the term includes a junior college district or community college district.

(21) Vendor--Any person providing goods or services to a candidate, officeholder, political committee, or other filer under this chapter. The term does not include an employee of the candidate, officeholder, political committee, or other filer.

(22) Hybrid committee—A political committee that, as provided by section 252.003(a)(4) (relating to contents of a general-purpose committee's campaign treasurer appointment) or 252.0031(a)(2) (relating to a specific-purpose committee's campaign treasurer

appointment) of the Election Code, as applicable, has filed a campaign treasurer appointment that includes an affidavit stating that:

(A) the committee is not established or controlled by a candidate or an officeholder; and

(B) the committee will not use any political contribution from a corporation or a labor organization to make a political contribution to:

(i) a candidate for elective office;

(ii) an officeholder; or

(iii) a political committee that has not filed an affidavit in accordance with this section.

(23) Direct campaign expenditure-only committee—A political committee, as authorized by section 253.105 of the Election Code (relating to political contributions to direct campaign expenditure-only committees) to accept political contributions from corporations or labor organizations, that:

(A) is not established or controlled by a candidate or an officeholder;

(B) makes or intends to make direct campaign expenditures;

(C) does not make or intend to make political contributions to:

(i) a candidate;

(ii) an officeholder;

(iii) a specific-purpose committee established or controlled by a candidate or an officeholder; or

(iv) 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

(D) has filed an affidavit with the commission stating the committee's intention to operate as described by subparagraphs (B) and (C).

§20.3. Reports Filed with the Commission

The Ethics Commission is the appropriate filing authority for reports filed by:

(1) a candidate for one of the following offices:

(A) a statewide office;

(B) a district office filled by voters in more than one county;

(C) a seat in the state legislature;

(D) a seat on the State Board of Education;

(E) an office of a political subdivision other than a county, if the governing body of the political subdivision has not been formed and if the political subdivision includes territory in more than one county; or

(F) a judicial district office filled by voters of only one county, subject to §20.5(b);

(2) a person holding an office listed in paragraph (1) of this section;

(3) the secretary of state;

(4) a specific-purpose committee supporting or opposing a candidate or officeholder required to file with the commission; or

(5) a specific-purpose committee supporting or opposing:

(A) a measure to be submitted to the voters of the entire state; or

(B) a measure that concerns a political subdivision other than a county, if the governing body of the political subdivision has not been formed and if the political subdivision includes territory in more than one county;

(6) a specific-purpose committee created to support or oppose a measure on the issuance of bonds by a school district; or

(7) a general-purpose committee.

§20.5. Reports Filed with a County Filing Authority

The county clerk (or the county elections administrator or tax assessor-collector who is required to perform the functions of the county clerk as provided by §§31.043 or 31.071 of the Election Code) is the appropriate filing authority for reports filed by:

(1) a candidate for:

(A) a county office;

(B) a precinct office;

(C) a district office (except for an office in a multi-county district; or

(D) an office of a political subdivision other than a county if the political subdivision is within the boundaries of a single county and if the governing body of the political subdivision has not been formed;

(2) a person holding an office listed in paragraph (1) of this section;

(3) a specific-purpose committee supporting or opposing a candidate listed in paragraph (1) of this section or an office holder listed in paragraph (2) of this section;

(4) a specific-purpose committee supporting or opposing:

(A) a measure to be submitted to the voters of a single county; or

(B) a measure concerning a political subdivision other than a county when the governing body for the political subdivision has not been formed and no boundary of the political subdivision crosses a boundary of a county.

§20.7. Reports Filed with Other Local Filing Authority

(a) Except as provided by §20.3(6) of this title (relating to Reports Filed with the Commission), the secretary of a political subdivision (or the presiding officer if the political subdivision has no secretary) is the appropriate filing authority for reports filed by:

(1) a candidate for an office of a political subdivision other than a county;

(2) a person holding an office of a political subdivision other than a county; or

(3) a specific-purpose committee supporting or opposing a measure to be submitted at an election ordered by the authority of a political subdivision other than a county.

(b) The campaign treasurer of a specific-purpose committee created to support or oppose a measure on the issuance of bonds by a school district should file with the commission a file-stamped copy of any campaign treasurer appointment filed with the appropriate local filing authority.

§20.9. Filing Option for Certain Specific-Purpose Committees

A specific-purpose committee required to file reports with more than one authority may choose to file reports only with the commission.

§20.11. Federal Candidates and Officeholders

The laws administered and enforced by the commission do not apply to a candidate for election to an office of the federal government or to a federal officeholder.

§20.13. Out-of-State Committees

(a) An out-of-state political committee is required to file reports for each reporting period under Subchapter F, Chapter 254, Election Code, in which the out-of-state political committee accepts political contributions or makes political expenditures in connection with a state or local election in Texas. Section 254.1581, Election Code, applies to a report required to be filed under this section. An out-of-state political committee that files reports electronically in another jurisdiction may comply with §254.1581, Election Code, by sending a letter to the commission within the time prescribed by that section specifying in detail where the electronic report may be found on the website of the agency with which the out-of-state political committee is required to file its reports. An out-of-state political committee that does not file reports electronically in

another jurisdiction may comply with §254.1581, Election Code, by sending a copy of the cover sheets of the report and a copy of each page on which the committee reports a contribution or expenditure accepted or made in connection with a state or local election in Texas.

(b) An out-of-state political committee that files an appointment of campaign treasurer with a Texas filing authority is required to file reports under this title.

(c) A political committee must determine if it is an "out-of-state political committee" each time the political committee plans to make a political expenditure in Texas (other than an expenditure in connection with a campaign for a federal office or an expenditure for a federal officeholder). The determination is made as follows.

> (1) Before making the expenditure (other than an expenditure in connection with a campaign for a federal office or an expenditure for a federal officeholder), the committee must calculate its total political expenditures made during the 12 months immediately preceding the date of the planned expenditure. This total does not include the planned political expenditure triggering the calculation requirement.
>
> (2) If 80% or more of the total political expenditures are in connection with elections not voted on in Texas, the committee is an out-of-state committee.
>
> (3) If less than 80% of the total political expenditures are in connection with elections not voted on in Texas, the committee is no longer an out-of-state committee.

(d) Section 20.29 (relating to Information About Out-of-State Committees) and §22.7 (relating to Contribution from Out-of-State Committee) of this title contain other provisions regarding requirements applicable to recipients of contributions from out-of-state political committees.

(e) An out-of-state political committee planning an expenditure in connection with a campaign for federal office voted on in Texas is not required to make the determination required under subsection (c) of this section. However, an expenditure in connection with a campaign for federal office voted on in Texas must be included in the calculation set out in subsection (c) of this section for an out-of-state committee making an expenditure in connection with a non-federal campaign voted on in Texas.

§20.15. Change of Address

The campaign treasurer of a political committee required to file reports with the commission shall provide written notice to the commission of any change in his or her mailing address no later than the 10th day after the date of the change.

§20.16. Notices by Electronic Mail

(a) A person required to file reports electronically with the commission shall provide to the commission an electronic mail address to which notices regarding filing requirements under Title 15 of the Election Code may be sent.

(b) A person required to file reports with the commission and who qualifies for an exemption from electronic filing may provide to the commission an electronic mail address to which notices regarding filing requirements under Title 15 of the Election Code may be sent.

(c) If the commission is twice unable to notify a person of a deadline at an electronic mail address provided under subsection (a) or (b) of this section, the commission is not required to make any further attempts to notify the person of that deadline or any future deadlines until the person has notified the commission of the person's current electronic mail address.

§20.18. Recordkeeping Required

(a) Records required to be maintained by §254.001 of the Election Code consist of records containing information needed to comply with reporting requirements, examples may include bank statements (front and back), deposit slips, cancelled checks (front and back), receipts, invoices, bills, and ledgers of contributions and expenditures.

(b) Candidates, officeholders, and campaign treasurers of a political committee comply with §254.001 of the Election Code when they maintain the following:

(1) Bank statements for all campaign activity;

(2) Invoices or bills for campaign expenditures;

(3) Copies of checks paid for campaign activity:

(4) Donation documentation for each person from whom a political contribution, loan, gain, or reimbursement is accepted;

(5) Receipts for reimbursed campaign expenses, which document the purpose of the reimbursement;

(6) Employee timesheets and payroll records;

(7) Extra care must be taken if cash is received or disbursed including: a separate receipt indicating the source of the donation or the person who received the disbursement, and the amount of the donation or expenditure.

(c) A person required to maintain a record under this section shall preserve the record for at least two years beginning on the filing deadline for the report containing the information in the record.

§20.19. Reports Must Be Filed on Official Forms

Except for special pre-election reports that are exempt from the electronic filing requirement, all reports required by Chapters 20 through 40 must be filed in a format prescribed by the commission or on forms approved by the executive director pursuant to §18.1 of this title (relating to Forms).

§20.20. Timeliness of Action by Electronic Filing

The filing deadline for any report filed electronically with the commission is midnight Central Time Zone on the last day for filing the report under the law requiring the filing of the report.

§20.21. Due Dates on Holidays and Weekends

(a) Except as provided in subsection (b) of this section, if the deadline for a report falls on a Saturday, Sunday, or a legal state or national holiday, the report is due on the next regular business day.

(b) Subsection (a) of this section does not apply to a special pre-election report required by this title or by Title 15 of the Election Code. Special pre-election reports are due on the date assigned by the sections requiring those reports to be filed.

§20.23. Timeliness of Action by Mail

When this chapter requires a notice, report, or other document or paper to be delivered, submitted, or filed within a specified period or before a specified deadline, a delivery, submission, or filing by first-class United States mail is timely except as otherwise provided by this chapter, if:

(1) it is properly addressed with postage prepaid; and

(2) it bears a post office cancellation mark indicating a time within the period or before the deadline, or if the person required to take the action furnishes satisfactory proof that it was deposited within in the mail within the period or before the deadline.

§20.29. Information About Out-of-State Committees

(a) A person who files a report with the commission by electronic transfer and who accepts political contributions from an out-of-state political committee required to file its statement of organization with the Federal Election Commission shall either:

(1) enter the out-of-state committee's federal PAC identification number in the appropriate place on the report; or

(2) timely file a certified copy of the out-of-state committee's statement of organization that is filed with the Federal Election Commission.

(b) A person who files a report with the commission by electronic transfer and who accepts political contributions from an out-of-state political committee that is not required to file its statement of organization with the Federal Elections Commission shall either:

(1) enter the information required by §253.032(a)(1) or (e)(1), Election Code, as applicable, on the report filed by electronic transfer; or

(2) timely file a paper copy of the information required by §253.032(a)(1) or (e)(1), Election Code, as applicable.

(c) Except as provided by subsection (d) of this section, §251.007, Election Code, applies to a document filed under subsection (a)(2) or (b)(2) of this section.

(d) A document filed under subsection (a)(2) or (b)(2) of this section for a pre-election report is timely filed if it is received by the commission no later than the report due date. A pre-election

report includes reports due 30-days and 8-days before an election, reports due before a runoff election, and special reports due before an election.

§20.33. Termination of Campaign Treasurer Appointment By Commission

(a) The commission may terminate the campaign treasurer appointment of an inactive candidate or an inactive political committee.

(b) For purposes of subsection (a) of this section and §252.0131, Election Code, a candidate becomes "inactive" if the candidate files a campaign treasurer appointment with the commission and more than one year has lapsed since the candidate has filed any required campaign finance reports with the commission.

(c) For purposes of subsection (a) of this section and §252.0131, Election Code, a political committee becomes "inactive" if the political committee files a campaign treasurer appointment with the commission and more than one year has lapsed since the campaign treasurer of the political committee has filed any required campaign finance reports with the commission.

(d) This section does not apply to a candidate who holds an office specified by §252.005(1) or (5), Election Code.

§20.35. Notice of Proposed Termination of Campaign Treasurer Appointment

(a) Before the commission may consider termination of a campaign treasurer appointment under §20.33 of this title (relating to Termination of Campaign Treasurer Appointment by Commission) and §252.0131, Election Code, the commission shall send written notice to the affected candidate or political committee.

(b) The written notice must be given at least 30 days before the date of the meeting at which the commission will consider the termination of campaign treasurer appointment and must include:

(1) The date, time, and place of the meeting;

(2) A statement of the commission's intention to consider termination of the campaign treasurer;

(3) A reference to the particular sections of the statutes and rules that give the commission the authority to consider the termination of the campaign treasurer; and

(4) The effect of termination of the campaign treasurer appointment.

Subchapter B. GENERAL REPORTING RULES

§20.50. Total Political Contributions Maintained

(a) For purposes of Election Code §254.031(a)(8) and §254.0611(a)(1), the total amount of political contributions maintained in one or more accounts includes the following:

(1) The balance on deposit in banks, savings and loan institutions and other depository institutions;

(2) The present value of any investments that can be readily converted to cash, such as certificates of deposit, money market accounts, stocks, bonds, treasury bills, etc.; and

(3) The balance of political contributions accepted and held in any online fundraising account over which the filer can exercise control by making a withdrawal, expenditure, or transfer.

(b) For purposes of Election Code §254.031(a)(8) and §254.0611(a)(1), the total amount of political contributions maintained includes personal funds that the filer intends to use for political expenditures only if the funds have been deposited in an account in which political contributions are held as permitted by Election Code §253.0351(c).

(c) For purposes of Election Code §254.031(a-1), the difference between the total amount of political contributions maintained that is disclosed in a report and the correct amount is a de minimis error if the difference does not exceed:

(1) $250; or

(2) the lesser of 10% of the amount disclosed or $2,500.

§20.51. Value of In-Kind Contribution

(a) For reporting purposes, the value of an in-kind contribution is the fair market value.

(b) If an in-kind contribution is sold at a political fundraiser, the total amount received for the item at the fundraiser must be reported. This reporting requirement is in addition to the requirement that the fair market value of the in-kind contribution be reported.

(c) If political advertising supporting or opposing two or more candidates is an in-kind contribution, each person benefiting from the contribution shall report the amount determined by dividing the full value of the political advertising by the number of persons benefited by the political advertising.

§20.52. Description of In-Kind Contribution for Travel

The description of an in-kind contribution for travel outside of the state of Texas must provide the following:

(1) The name of the person or persons traveling on whose behalf the travel was accepted;

(2) The means of transportation;

(3) The name of the departure city or the name of each departure location;

(4) The name of the destination city or the name of each destination location;

(5) The dates on which the travel occurred;

(6) The campaign or officeholder purpose of the travel, including the name of a conference, seminar, or other event.

§20.53. Disclosure of True Source of Contribution or Expenditure

A person may not knowingly make or authorize a political contribution or political expenditure in the name of or on behalf of another unless the person discloses the name and address of the person who is the true source of the contribution or expenditure.

§20.54. Reporting a Pledge of a Contribution

(a) The date of a pledge of a contribution is the date the pledge was accepted, regardless of when the pledge is actually received.

(b) Except as provided by subsection (c) of this section, a pledge of a contribution shall be reported on the appropriate pledge schedule for the reporting period in which the pledge was accepted and shall be reported on the appropriate receipts schedule for the reporting period in which the pledge is received.

(c) A pledge of a contribution that is actually received in the reporting period in which the pledge was accepted, shall be reported on the contribution schedule or the loan schedule, as applicable, and in accordance with subsection (a) of this section.

(d) The effective date of this rule is January 1, 2015.

§20.55. Time of Accepting Contribution

(a) A candidate, office holder, or political committee shall make a determination to accept or refuse a political contribution not later than the end of the reporting period during which the contribution is received, except as provided by subsection (e) of this section.

(b) A determination to refuse a political contribution is a distinct act from returning a political contribution and may occur at a different time.

(c) If a determination to accept or refuse a political contribution is not made before the end of the reporting period during which the contribution is received, the contribution is considered to have been accepted on the last day of that reporting period.

(d) A political contribution that is received but not accepted shall be returned to the contributor not later than the 30th day after the deadline for filing a report for the reporting period during which the contribution is received. A contribution not returned within that time is considered to be accepted.

(e) A determination to accept or refuse a political contribution received during a special legislative session shall be made not later than the third day after the date the contribution is received.

§20.56. Expenditures to Vendors

(a) A political expenditure made by a vendor for a candidate, officeholder, political committee, or other filer, with the intent to seek reimbursement from the filer, shall be reported by the filer in accordance with this chapter as though the filer made the expenditure directly.

(b) A vendor of a candidate, officeholder, or specific-purpose committee may not, in providing goods or services for the candidate, officeholder, or committee, make an expenditure that, if made by the candidate, officeholder, or committee, would be prohibited by §§253.035, 253.038, or 253.041, Election Code.

(c) A candidate, officeholder, or specific-purpose committee may not use political contributions to pay or reimburse a vendor for an expenditure that, if made by the candidate, officeholder, or committee, would be prohibited by §§253.035, 253.038, or 253.041, Election Code.

§20.57. Time of Making Expenditure

(a) The date of a political expenditure is the date the amount is readily determinable by the person making the expenditure, except as provided by subsection (b) of this section.

(b) If under normal business practices, the amount of an expenditure is not known or readily ascertainable until receipt of a periodic bill, the date of the expenditure is the date the bill is received. Examples of expenditures to which this subsection is applicable are expenditures for use of electricity or for long-distance telephone calls.

(c) A political expenditure by credit card made during the period covered by a report required to be filed under Section 254.064(b) or (c), 254.124(b) or (c), or 254.154(b) or (c) of the Election Code, must be included in the report for the period during which the charge was made, not in the report for the period during which the statement from the credit card company was received.

(d) A political expenditure by credit card made during a period not covered by a report listed under subsection (c) of this section, must be included in the report for the period during which:

(1) the charge was made; or

(2) the person receives the credit card statement that includes the expenditure.

§20.58. Disclosure of Political Expenditure

(a) An expenditure that is not paid during the reporting period in which the obligation to pay the expenditure is incurred shall be reported on the Unpaid Incurred Obligations Schedule for the reporting period in which the obligation to pay is incurred.

(b) The use of political contributions to pay an expenditure previously disclosed on an Unpaid Incurred Obligations Schedule shall be reported on the appropriate disbursements schedule for the reporting period in which the payment is made.

(c) The use of personal funds to pay an expenditure previously disclosed on an Unpaid Incurred Obligations Schedule shall be reported on the Political Expenditure Made from Personal Funds Schedule for the reporting period in which the payment is made.

(d) The effective date of this rule is January 1, 2015.

§20.59. Reporting Expenditure by Credit Card

(a) A report of an expenditure charged to a credit card must be disclosed on the Expenditures Made to Credit Card Schedule and identify the vendor who receives payment from the credit card company.

(b) A report of a payment to a credit card company must be disclosed on the appropriate disbursements schedule and identify the credit card company receiving the payment.

§20.60. Reporting Political Expenditures for Processing Fees

(a) Multiple political expenditures made to a single payee during a reporting period for fees to process political contributions may be itemized as a single expenditure, in an amount equal to the combined total amount of the expenditures, if all the expenditures are made to a single payee for the same purpose.

(b) The purpose of an expenditure reported under subsection (a) of this section must include the dates of the first and last of the multiple expenditures made to a single payee during the reporting period.

(c) For reporting purposes, the date of an expenditure reported under subsection (a) of this section is the date of the first expenditure made to the payee during the reporting period, as provided by §20.57 (Time of Making Expenditure) of this title.

§20.61. Purpose of Expenditure

(a) For reporting required under §254.031 of the Election Code, the purpose of an expenditure means:

(1) A description of the category of goods, services, or other thing of value for which an expenditure is made. Examples of acceptable categories include:

(A) advertising expense;

(B) accounting/banking;

(C) consulting expense;

(D) contributions/donations made by candidate/officeholder/political committee;

(E) event expense;

(F) fees;

(G) food/beverage expense;

(H) gifts/awards/memorials expense;

(I) legal services;

(J) loan repayment/reimbursement;

(K) office overhead/rental expense;

(L) polling expense;

(M) printing expense;

(N) salaries/wages/contract labor;

(O) solicitation/fundraising expense;

(P) transportation equipment and related expense;

(Q) travel in district;

(R) travel out of district;

(S) other political expenditures; and

(2) A brief statement or description of the candidate, officeholder, or political committee activity that is conducted by making the expenditure and an additional indication if the expenditure is an officeholder expenditure for living in Austin, Texas. The brief statement or description must include the item or service purchased and must be sufficiently specific, when considered within the context of the description of the category, to make the reason for the expenditure clear. Merely disclosing the category of goods, services, or other thing of value for which the expenditure is made does not adequately describe the purpose of an expenditure.

(3) For purposes of this section, "consulting" means advice and strategy. "Consulting" does not include providing other goods or services, including without limitation media production, voter contact, or political advertising.

(b) An expenditure other than a reimbursement to a person, including a vendor, for more than one type of good or service must be reported by the filer as separate expenditures for each type of good or service provided by the person in accordance with this rule.

(c) The description of a political expenditure for travel outside of the state of Texas must provide the following:

(1) The name of the person or persons traveling on whose behalf the expenditure was made;

(2) The means of transportation;

(3) The name of the departure city or the name of each departure location;

(4) The name of the destination city or the name of each destination location;

(5) The dates on which the travel occurred; and

(6) The campaign or officeholder purpose of the travel, including the name of a conference, seminar, or other event.

(d) Except as provided by subsection *(e)* of this section, this rule applies to expenditures made on or after July 1, 2010.

(e) The requirement to include an additional indication if an expenditure is an officeholder expenditure for living in Austin, Texas, applies to an expenditure made on or after July 1, 2014.

(f) Comments:

The purpose of an expenditure must include both a description of the category of goods or services received in exchange for the expenditure and a brief statement or description of the candidate, officeholder, or political committee activity that is conducted by making the expenditure. A description of an expenditure that merely states the item or service purchased is not adequate because doing so does not allow a person reading the report to know the allowable activity for which an expenditure was made. The following is a list of examples that describe how the purpose of an expenditure may be reported under section 20.61. This list is for illustrative purposes only. It is intended to provide helpful information and to assist filers in reporting the purpose of an expenditure under this rule. However, it is not, and is not intended to be, an exhaustive or an exclusive list of how a filer may permissibly report the purpose of an expenditure under this rule. The rule does not require the candidate or officeholder to identify by name or affiliation an individual or group with whom the candidate or officeholder meets.

(1) Example: Candidate X is seeking the office of State Representative, District 2000. She purchases an airline ticket from ABC Airlines to attend a campaign rally within District 2000. The acceptable category for this expenditure is “travel in district.” The candidate activity that is accomplished by making the expenditure is to attend a campaign rally. An acceptable brief statement is “airline ticket to attend campaign event.”

(2) Example: Candidate X purchases an airline ticket to attend a campaign event outside of District 2000 but within Texas, the acceptable category is “travel out of district.” The candidate activity that is accomplished by making the expenditure is to attend a campaign event. An acceptable brief statement is “airline ticket to attend campaign or officeholder event.”

(3) Example: Candidate X purchases an airline ticket to attend an officeholder related seminar outside of Texas. The acceptable method for the purpose of this expenditure is by selecting the “travel out of district” category and completing the “Schedule T” (used to report travel outside of Texas).

(4) Example: Candidate X contracts with an individual to do various campaign related tasks such as work on a campaign phone bank, sign distribution, and staffing the office. The acceptable category is “salaries/wages/contract labor.” The candidate activity that is accomplished by making the expenditure is to compensate an individual working on the campaign. An acceptable brief statement is “contract labor for campaign services.”

(5) Example: Officeholder X is seeking re-election and makes an expenditure to purchase a vehicle to use for campaign purposes and permissible officeholder purposes. The acceptable category is "transportation equipment and related expenses" and an acceptable brief description is "purchase of campaign/officeholder vehicle."

(6) Example: Candidate X makes an expenditure to repair a flat tire on a campaign vehicle purchased with political funds. The acceptable category is "transportation equipment and related expenses" and an acceptable brief description is "campaign vehicle repairs."

(7) Example: Officeholder X purchases flowers for a constituent. The acceptable category is "gifts/awards/memorials expense" and an acceptable brief description is "flowers for constituent."

(8) Example: Political Committee XYZ makes a political contribution to Candidate X. The acceptable category is "contributions/donations made by candidate/officeholder/political committee" and an acceptable brief description is "campaign contribution."

(9) Example: Candidate X makes an expenditure for a filing fee to get his name on the ballot. The acceptable category is "fees" and an acceptable brief description is "candidate filing fee."

(10) Example: Officeholder X makes an expenditure to attend a seminar related to performing a duty or engaging in an activity in connection with the office. The acceptable category is "fees" and an acceptable brief description is "attend officeholder seminar."

(11) Example: Candidate X makes an expenditure for political advertising to be broadcast by radio. The acceptable category is "advertising expense" and an acceptable brief description is "political advertising." Similarly, Candidate X makes an expenditure for political advertising to appear in a newspaper. The acceptable category is "advertising expense" and an acceptable brief description is "political advertising."

(12) Example: Officeholder X makes expenditures for printing and postage to mail a letter to all of her constituents, thanking them for their participation during the legislative session. Acceptable categories are "advertising expense" OR "printing expense" and an acceptable brief description is "letter to constituents."

(13) Example: Officeholder X makes an expenditure to pay the campaign office electric bill. The acceptable category is "office overhead/rental expense" and an acceptable brief description is "campaign office electric bill."

(14) Example: Officeholder X makes an expenditure to purchase paper, postage, and other supplies for the campaign office. The acceptable category is "office overhead/rental expense" and an acceptable brief description is "campaign office supplies."

(15) Example: Officeholder X makes an expenditure to pay the campaign office monthly rent. The acceptable category is "office overhead/rental expense" and an acceptable brief description is "campaign office rent."

(16) Example: Candidate X hires a consultant for fundraising services. The acceptable category is "consulting expense" and an acceptable brief description is "campaign services."

(17) Example: Candidate/Officeholder X pays his attorney for legal fees related to either campaign matters or officeholder matters. The acceptable category is "legal services" and an acceptable brief description is "legal fees for campaign" or "for officeholder matters."

(18) Example: Candidate/Officeholder X makes food and beverage expenditures for a meeting with her constituents. The acceptable category is "food/beverage expense" and an acceptable brief statement is "meeting with constituents."

(19) Example: Candidate X makes food and beverage expenditures for a meeting to discuss candidate issues. The acceptable category is "food/beverage expense" and an acceptable brief statement is "meeting to discuss campaign issues."

(20) Example: Officeholder X makes food and beverage expenditures for a meeting to discuss officeholder issues. The acceptable category is "food/beverage expense" and an acceptable brief statement is "meeting to discuss officeholder issues."

(21) Example: Candidate/Officeholder X makes food and beverage expenditures for a meeting to discuss campaign and officeholder issues. The acceptable category is "food/beverage expense" and an acceptable brief statement is "meeting to discuss campaign/officeholder issues."

§20.62. Reporting Staff Reimbursement

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

(1) the amount of political expenditures that in the aggregate exceed $180 and that are made during the reporting period, the full name and address of the persons to whom the expenditures are made and the dates and purposes of the expenditures; and

(2) included with the total amount or a specific listing of the political expenditures of $180 or less made during the reporting period.

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

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

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

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

§20.63. Reporting the Use and Reimbursement of Personal Funds

(a) A candidate is required to report a campaign expenditure from his or her personal funds.

(b) An officeholder is not required to report an officeholder expenditure from his or her personal funds unless he or she intends to be reimbursed from political contributions.

(c) A candidate or officeholder must report a political expenditure from his or her personal funds using one of the following methods:

(1) As a political expenditure made from personal funds reported on the political expenditure made from personal funds schedule;

(2) As a loan without depositing the personal funds in an account in which political contributions are held. The amount reported as a loan may not exceed the total amount actually spent in the reporting period. A political expenditure made from these funds must also be reported as a political expenditure made from political funds, not as made from personal funds; or

(3) If the candidate or officeholder deposits personal funds in an account in which political contributions are held, he or she must report that amount as a loan with an indication that personal funds were deposited in that account. A political expenditure made from an account in which political contributions are maintained must be reported as a political expenditure made from political funds, not as made from personal funds.

(d) A candidate or officeholder who makes political expenditures from his or her personal funds may reimburse those personal funds from political contributions only if:

(1) the expenditures were fully reported using one of the methods in subsection (c) of this section on the report covering the period during which the expenditures were made; and

(2) if the method in subsection (c)(1) of this section was used, the report disclosing the expenditures indicates that the expenditures are subject to reimbursement.

(e) A candidate's or officeholder's failure to comply with subsection (d) of this section may not be cured by filing a corrected report after the report deadline has passed.

(f) A candidate or officeholder who has complied with subsection (d) of this section and whose personal funds have been reimbursed from political contributions must report the amount of the

reimbursement as a political expenditure in the report covering the period during which the reimbursement was made.

(g) Section 22.21 of this title (relating to Additional Restrictions on Reimbursement of Personal Funds and Payments on Certain Loans) set limits on the amount of political expenditures from personal funds that a statewide officeholder may reimburse from political contributions.

§20.64. Reporting the Forgiveness of a Loan or Settlement of a Debt

(a) The forgiveness of a loan to a candidate, officeholder, or political committee is a reportable in-kind political contribution unless the loan does not constitute a contribution under §251.001(2) of the Election Code, and the forgiveness of the loan was made in the due course of business.

(b) The settlement of a debt owed by a candidate, officeholder, or political committee is a reportable in-kind political contribution unless the creditor is a commercial vendor that has treated the settlement in a commercially reasonable manner that reflects the usual and normal practice of the industry, and is typical of the terms the commercial vendor offers to political and non-political persons alike.

§20.65. Reporting No Activity

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

(b) This general rule does not apply to:

(1) special pre-election reports;

(2) special session reports; or

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

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

§20.66. Discounts

(a) A discount to a candidate, officeholder, or political committee is an in-kind political contribution unless the terms of the transaction reflect the usual and normal practice of the industry and are typical of the terms that are offered to political and non-political persons alike, or unless the discount is given solely in order to comply with §253.041 of the Election Code.

(b) The value of an in-kind contribution in the form of a discount is the difference between the fair market value of the goods or services at the time of the contribution and the amount charged.

§20.67. Reporting after the Death or Incapacity of a Filer

(a) The responsibility to file reports required by this title survives the death or incapacity of a candidate or officeholder.

(b) The legal representative or the estate of a candidate or officeholder who has died, or the legal representative of a candidate who is incapacitated, shall file any reports due under Subchapter C of this chapter (relating to Reporting Requirements for a Candidate) or Subchapter D of this chapter (relating to Reporting Requirements for an Officeholder Who Does Not Have a Campaign Treasurer Appointment on File).

Subchapter C. REPORTING REQUIREMENTS FOR A CANDIDATE

§20.201. Required Appointment of Campaign Treasurer

A candidate must file a campaign treasurer appointment before accepting any campaign contributions or making or authorizing any campaign expenditures, including campaign expenditures from personal funds.

§20.203. Candidates for State Party Chair

Because the state chair of a political party does not hold a public office, a candidate for state chair of a political party is not within the definition of "candidate" set out in §20.1(4) of this title (relating to Definitions). Nonetheless, a candidate for the state chair of a political party is subject to filing requirements as provided by Subchapter J of this chapter (relating to Reports by a Candidate for State Party Chair).

§20.205. Contents of Candidate's Campaign Treasurer Appointment

Each candidate's campaign treasurer appointment shall include the following information:

(1) the name of the candidate making the appointment;

(2) the mailing address of the candidate making the appointment;

(3) the office sought by the candidate making the appointment, if known;

(4) the office held by the candidate, if any;

(5) the name of the individual appointed campaign treasurer;

(6) the campaign treasurer's residence or business street address;

(7) the campaign treasurer's telephone number;

(8) a statement acknowledging awareness of the Government Code, Chapter 573, Subchapter C (concerning Nepotism Prohibitions); and

(9) the signature of the candidate making the appointment.

§20.206. Transfer of Campaign Treasurer Appointment

(a) If a candidate who has filed a campaign treasurer appointment decides to seek a different office that would require the appointment to be filed with another authority, a copy of the appointment certified by the authority with whom it was originally filed must be filed with the other authority in addition to the new campaign treasurer appointment.

(b) The original appointment terminates on the filing of the copy with the appropriate authority or on the 10th day after the date the decision to seek a different office is made, whichever is earlier.

§20.207. Termination of Campaign Treasurer Appointment

(a) A candidate may terminate a campaign treasurer appointment by:

(1) filing a campaign treasurer appointment for a successor campaign treasurer; or

(2) filing a final report.

(b) A person may terminate his or her own status as campaign treasurer by immediately notifying both the appointing authority and the filing authority in writing.

(c) If a person terminates his or her own status as campaign treasurer, the termination is effective on the date the candidate receives the notice or on the date the filing authority actually receives the notice, whichever is later.

(d) Section 20.23 of this title (relating to Timeliness of Action by Mail) does not apply to subsection (c) of this section.

§20.209. Reporting Obligations Imposed on Candidate, Not Campaign Treasurer

A candidate, not the candidate's campaign treasurer, is responsible for complying with this title.

§20.211. Semiannual Reports

(a) A candidate shall file semiannual reports as provided by this section.

(b) One semiannual report is due no earlier than July 1 and no later than July 15.

(1) The period covered by a report under this subsection begins on the later of the following dates, as applicable:

(A) January 1;

(B) the first day after the period covered by the last report required by this subchapter (other than a special pre-election report or a special session report) or Subchapter D of this chapter (relating to Reporting Requirements for an Officeholder Who Does Not Have a Campaign Treasurer Appointment on File); or

(C) the day the candidate's campaign treasurer appointment was filed, if this is the candidate's first report filed under this subchapter (other than a special pre-election report or a special session report) or Subchapter D of this chapter.

(2) The period covered by a report under this subsection ends on June 30.

(c) One semiannual report is due no earlier than January 1 and no later than January 15.

(1) The period covered by a report under this subsection begins on the later of the following dates, as applicable:

(A) July 1;

(B) the first day after the period covered by the last report required by this subchapter (other than a special pre-election report or a special session report) or Subchapter D of this chapter; or

(C) the day the candidate's campaign treasurer appointment was filed, if this is the candidate's first report filed under this subchapter (other than a special pre-election report or a special session report) or Subchapter D of this chapter.

(2) The period covered by a report under this subsection continues through December 31.

§20.213. Pre-election Reports

(a) A candidate who has an opponent on the ballot in an election must file two pre-election reports, except as provided by subsections (b), (e), and (f) of this section.

(b) A candidate who has declared the intention to file reports in accordance with §20.217 of this title (relating to Modified Reporting) and who remains eligible to file under the modified schedule is not required to file pre-election reports.

(c) The first pre-election report must be received by the authority with whom the report is required to be filed not later than 30 days before election day. If this is the candidate's first report filed, the report covers a period that begins on the day the candidate's campaign treasurer appointment was filed. Otherwise the period begins on the first day after the period covered by the last report required by this subchapter (other than a special pre-election report or a special session report) or Subchapter D of this chapter (relating to Reporting Requirements for an Officeholder Who Does Not Have a Campaign Treasurer Appointment on File). The period covered by the report continues through the 40th day before the election.

(d) The second pre-election report must be received by the authority with whom the report is required to be filed not later than eight days before election day. The report covers the period that begins on the 39th day before the election and ends on the 10th day before the election.

(e) If a person becomes an opposed candidate during the period that begins on the 39th day before the election and ends on the 10th day before the election, the person shall file one pre-election report. The report shall cover a period that begins on the day the candidate's campaign treasurer appointment was filed, if this is the candidate's first report filed, or on the first day after the period covered by the last report required by this subchapter (other than a special pre-election

report or a special session report) or Subchapter D of this chapter. The period covered by the report ends on the 10th day before the election.

(f) If a person becomes an opposed candidate after the 10th day before the election, the person is not required to file pre-election reports. The person is required to file any special pre-election reports required by §20.221 of this title (relating to Special Pre-Election Report by Certain Candidates).

§20.215. Runoff Report

(a) A candidate in a runoff election shall file a runoff report, except as provided by subsection (b) of this section.

(b) A candidate who has declared an intention to file reports in accordance with §20.217 of this title (relating to Modified Reporting) and who remains eligible to file under the modified schedule is not required to file a runoff report.

(c) A runoff report must be received by the authority with whom the report is required to be filed no later than the eighth day before the runoff election.

(d) A runoff report covers the period that begins on the ninth day before the date of the main election and ends on the 10th day before the runoff.

§20.217. Modified Reporting

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

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

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

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

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

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

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

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

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

(1) the candidate's full name;

(2) the candidate's address;

(3) the office sought by the candidate, if known;

(4) the identity and date of the election for which the report is filed, if known;

(5) the campaign treasurer's name;

(6) the campaign treasurer's telephone number;

(7) the campaign treasurer's residence or business street address;

(8) for each political committee from which the candidate received notice under §20.319 of this title (relating to Notice to Candidate or Officeholder) or §20.421 of this title (relating to Notice to Candidate or Officeholder):

(A) the committee's full name;

(B) the committee's address;

(C) identification of the political committee as a general-purpose or a specific-purpose committee;

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

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

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

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

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

(C) the date of the expenditure;

(D) the purpose of the expenditure; and

(E) the amount of the expenditure;

(10) for each person from whom the candidate accepted a political contribution (other than a pledge, loan, or a guarantee of a loan) of more than $90 in value or political contributions (other than pledges, loans, or guarantees of loans) that total more than $90 in value:

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

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

(C) the total amount of contributions;

(D) the date each contribution was accepted; and

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

(11) for each person from whom the candidate accepted a pledge or pledges to provide more than $90 in money or goods or services worth more than $90:

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

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

(C) the amount of each pledge;

(D) the date each pledge was accepted; and

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

(F) the total of all pledges accepted during the period for $90 and less from a person, except those reported under subparagraphs (A)-(E) of this paragraph;

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

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

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

(C) the amount of the loan;

(D) the date of the loan;

(E) the interest rate;

(F) the maturity date;

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

(H) if the loan has guarantors:

(i) the full name of each guarantor;

(ii) the address of each guarantor;

(iii) the principal occupation of each guarantor;

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

(v) the amount guaranteed by each guarantor;

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

(14) for political expenditures made during the reporting period that total more than $180 to a single payee, other than expenditures reported under paragraph (9) of this section:

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

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

(C) the date of the expenditure;

(D) the purpose of the expenditure; and

(E) the amount of the expenditure;

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

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

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

(C) the date of the expenditure;

(D) the purpose of the expenditure;

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

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

(G) the amount of the expenditure;

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

(A) the date of each expenditure;

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

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

(D) the purpose of the expenditure; and

(E) the amount of the expenditure;

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

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

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

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

(19) 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 that is received during the reporting period and the amount of which exceeds $130;

(20) any proceeds of the sale of an asset purchased with a political contribution that is received during the reporting period and the amount of which exceeds $130;

(21) any other gain from a political contribution that is received during the reporting period and the amount of which exceeds $130;

(22) any investment purchased with a political contribution that is received during the reporting period and the amount of which exceeds $130;

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

(24) the following total amounts:

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

(B) the total amount or an itemized listing of political contributions (other than pledges, loans, or guarantees of loans) of $90 and less;

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

(D) the total amount or an itemized listing of the political expenditures of $180 and less; and

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(e) If the comptroller, or a specific-purpose committee created to support the comptroller, receives the information required by this section after the filing deadline for the report on which the contribution is reported the comptroller or committee must include the missing information on the next required campaign finance report.

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

§20.221. Special Pre-Election Report by Certain Candidates

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

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

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

(d) If, during the reporting period for special pre-election contributions, a candidate receives additional contributions from a person whose previous contribution or contributions have triggered the requirement to file a special pre-election report during that period, the candidate must file an additional special pre-election report for each such contribution. Except as provided

in subsection (e) of this section, each such special pre-election report must be filed so that it is received by the commission no later than the first business day after the candidate accepts the contribution.

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

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

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

§20.223. Form and Contents of Special Pre-Election Report

(a) A special pre-election report shall be filed electronically as required by §254.036, Election Code, unless the report is exempt from electronic filing. A special pre-election report that is exempt from electronic filing under §254.036(c), Election Code, is not required to be on a form prescribed by the commission.

(b) A special pre-election report shall include the following information:

(1) the name of the candidate;

(2) the office sought by the candidate;

(3) the name of the person making a contribution or contributions that triggered the requirement to file a special pre-election report;

(4) the address of the person making the contribution or contributions;

(5) the amount of each contribution;

(6) the date each contribution was accepted; and

(7) a description of any in-kind contribution.

§20.225. Special Session Reports

(a) A candidate for a statewide office or for the legislature who accepts a political contribution during the period that begins on the date the governor signs a proclamation calling a special legislative session and ends on the date of final adjournment must file a special session report.

(b) A special session report must be filed with the commission no later than the 30th day after the date of final adjournment of the special session.

(c) A special session report is a report of contributions only, not expenditures. Expenditures made during the period covered by a special session report are required to be reported in the next applicable sworn report of contributions and expenditures.

(d) Contributions reported in a special session report are required to be reported in the next applicable sworn report of contributions and expenditures.

(e) A determination to accept or refuse a political contribution received during the period covered by a special session report shall be made no later than the third day after the date the contribution is received.

(f) A contribution that is refused under subsection (e) of this section must be returned no later than the 30th day after the date of final adjournment. A contribution not returned by that date will be deemed accepted.

(g) A candidate is not required to file a separate special session report if another report is due no later than the tenth day after the date a report required under this section would be due.

§20.227. Contents of Special Session Report

A special session report shall include the following information:

(1) the candidate's name;

(2) the candidate's address;

(3) the office sought by the candidate;

(4) the date each contribution was accepted;

(5) the full name of each person making a contribution;

(6) the address of each person making a contribution;

(7) the amount of each contribution accepted during the period;

(8) a description of any in-kind contribution accepted during the period; and

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

§20.229. Final Report

(a) A candidate who expects no further reportable activity in connection with his or her candidacy may file a final report at any time.

(b) The term "reportable activity" includes an expenditure to pay a campaign debt.

(c) Filing a final report terminates the candidate's campaign treasurer appointment and relieves the candidate of the responsibility for filing reports, except as provided by subsection (e) of this section.

(d) A former candidate may not accept campaign contributions or make campaign expenditures without a campaign treasurer appointment on file.

(e) A candidate who is not an officeholder when he or she files a final report under this section, and who retains unexpended political contributions, unexpended interest or other income from political contributions, assets purchased with political contributions or interest, or other income from political contributions is subject to the requirements of §§20.233, 20.235, 20.237, 20.239, 20.241, and 20.243 of this title (relating to Reporting Requirements for a Candidate).

(f) A candidate who is an officeholder when he or she files a final report under this section becomes subject to the reporting requirements set out in Subchapter D of this chapter (relating to Reporting Requirements for an Officeholder Who Does Not Have a Campaign Treasurer Appointment on File).

§20.231. Contents of Final Report

A final report must contain the following:

(1) the information listed in §20.219 of this title (relating to Content of Candidate's Sworn Report of Contributions and Expenditures);

(2) the following statement, signed by the candidate: "I do not expect any further political contributions or political expenditures in connection with my candidacy. I understand that designating a report as a final report terminates my campaign treasurer appointment. I also understand that I may not accept any campaign contributions or make any campaign expenditures without a campaign treasurer appointment on file.";

(3) if the candidate is not an officeholder, a statement that the candidate does or does not have unexpended contributions or unexpended interest or other income earned from political contributions;

(4) if the candidate is not an officeholder and has unexpended contributions or unexpended interest or income earned from political contributions, the following statement signed by the candidate: "I understand that I may not convert unexpended political contributions or unexpended interest or other income earned from political contributions to personal use. I also understand that I must file an annual report of unexpended contributions and that I may not retain unexpended contributions or unexpended interest or other income earned from political contributions longer than six years after filing this final report. Further, I understand that I must dispose of unexpended political contributions and unexpended interest or other income earned from political contributions in accordance with the requirements of Election Code, §254.204 (relating to Disposition of Unexpended Contributions).";

(5) if the candidate is not an officeholder, a statement that the candidate does or does not retain assets purchased with political contributions or interest or other income earned from political contributions;

(6) if the candidate is not an officeholder and retains assets purchased with political contributions or interest or other income from political contributions, the following statement signed by the candidate: "I understand that I may not convert assets purchased with political contributions or interest or other income earned from political contributions to personal use. I also understand that I must file an annual report of unexpended contributions and that I may not retain assets purchased with political contributions or interest or other income earned from political contributions longer than six years after filing this final report. I also understand that I must dispose of assets purchased with political contributions or interest or other income earned from political contributions in accordance with the requirements of Election Code, §254.204 (relating to Disposition of Unexpended Contributions)."; and

(7) if the candidate is an officeholder, a statement that the officeholder is aware that he or she remains subject to filing requirements applicable to an officeholder who does not have a campaign treasurer appointment on file.

§20.233. Annual Report of Unexpended Contributions

(a) A candidate who files a final report and is not an officeholder when he or she files a final report under §20.229 of this title (relating to Final Report) must file an annual report for each year that the former candidate retains unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions.

(b) The report is due not earlier than January 1 and not later than January 15 of the year after a year in which the former candidate retained unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions.

(c) The report is filed with the authority with whom the former candidate's campaign treasurer appointment was required to be filed.

(d) The requirement to file annual reports ends after:

(1) all unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions have been disbursed and reported on an annual report; or

(2) the former candidate has complied with §20.237 of this title (relating to Disposition of Unexpended Contributions) and §20.239 of this title (relating to Report of Final Disposition of Unexpended Contributions).

§20.235. Contents of Annual Report

An annual report of unexpended contributions shall include the following information:

(1) the candidate's full name;

(2) the candidate's address;

(3) for each payment made by the candidate from unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions during the previous year:

(A) the full name of each person to whom a payment was made;

(B) the address of each person to whom a payment was made;

(C) the date of each payment;

(D) the nature of the goods or services for which the payment was made; and

(E) the amount of each payment;

(4) the total amount of unexpended political contributions as of December 31 of the previous year;

(5) the total amount of interest and other income earned on unexpended political contributions during the previous year; and

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

§20.237. Final Disposition of Unexpended Contributions

(a) A former candidate who was not an officeholder at the time he or she filed a final report may not retain unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions for more than six years after the date of the final report, except as provided by subsection (f) of this section.

(b) During the six-year period after the final report is filed, a former candidate may disburse unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions to one of the following:

(1) the political party with which the person was affiliated when the person's name last appeared on a ballot;

(2) a candidate or political committee, subject to the reporting requirements of §20.243 of this title (relating to Contribution of Unexpended Political Contributions to Candidate or Political Committee);

(3) the Comptroller of Public Accounts, for deposit in the state treasury for use in financing primary elections;

(4) one or more persons from whom political contributions were received, with contributions to a person not to exceed the aggregate amount the former candidate accepted from that person during the last two years that the candidate accepted political contributions;

(5) a recognized, tax-exempt charitable organization; or

(6) a public or private post-secondary educational institution or an institution of higher education, as defined by the Education Code, §61.003(8) (concerning Definitions), solely for the purpose of assisting or creating a scholarship program.

(c) A former candidate may not convert unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions to personal use.

(d) At the end of the six-year period after the final report is filed, a former candidate must dispose of unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions in one of the ways listed in subsection (b) of this section.

(e) A former candidate must make the disposition required by subsection (d) of this section by the 10th day after the end of the six-year period.

(f) The six-year period prescribed by subsection (a) of this section ceases to run if the former candidate files a new campaign treasurer appointment during the period.

§20.239. Report of Final Disposition of Unexpended Contributions

(a) A person required by §20.237 of this title (relating to Final Disposition of Unexpended Contributions) to dispose of unexpended contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions at the end of the period for retaining such funds is required to file a report of the disposition of such funds.

(b) The report must be filed no later than the 30th day after the end of the six-year period prescribed by §20.237(a) of this title (relating to Final Disposition of Unexpended Contributions).

(c) The report shall be filed with the authority with whom the person's campaign treasurer appointment was required to be filed.

(d) The report shall cover the period that begins on the first day after the period covered by the last annual report required through the day a report under this section is filed.

§20.241. Contents of Report of Final Disposition of Unexpended Contributions

A report of final disposition of unexpended contributions shall include the following information:

(1) the candidate's full name;

(2) the candidate's address;

(3) the full name of each person to whom a payment from unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions was made;

(4) the address of each person to whom such a payment was made;

(5) the date of each payment;

(6) the nature of the goods or services for which the payment was made;

(7) the amount of each payment; and

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

§20.243. Contribution of Unexpended Political Contributions to Candidate or Political Committee

(a) A former candidate who has filed a final report and who contributes unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions to a candidate or political committee must report the contribution on an annual report of unexpended contributions or on a report of final disposition of unexpended contributions, as applicable. The former candidate must also report the contribution under subsection (b) of this section.

(b) A former candidate who has filed a final report and who contributes unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions to a candidate or political committee must report each contribution to the filing authority with whom the candidate or political committee receiving the contribution files reports. The contribution must be reported on the form used for reports of contributions and expenditures by specific-purpose committees. The report should be filed by the due date for the report in which the candidate or political committee receiving the contribution must report the receipt of the contribution.

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

§20.271. Officeholders Covered

(a) The provisions in this subchapter that apply to an officeholder apply only to a person who holds an elective public office in the state and to the secretary of state.

(b) For purposes of this subchapter, a statewide officer-elect or a member-elect of the legislature is considered to be an officeholder beginning on the day after the date of the general or special election at which the officer-elect or member-elect was elected.

(c) An officeholder who has a campaign treasurer appointment on file is a candidate for filing purposes and shall file under Subchapter C of this chapter (relating to Reporting Requirements for a Candidate) rather than under this subchapter.

§20.273. Semiannual Reports of Contributions and Expenditures

(a) Except as provided by §20.275 of this title (relating to Exception from Filing Requirement for Certain Local Officeholders), an officeholder shall file semiannual reports of contributions and expenditures as provided by this section.

(b) One semiannual report is due no earlier than July 1 and no later than July 15.

(1) The period covered by a report under this subsection begins on the later of the following dates, as applicable:

(A) January 1;

(B) the first day after the period covered by the last report required by this chapter, whether that report was filed by the officeholder in his or her status as an officeholder or as a candidate; or

(C) the day the officeholder took office, if the report is the first report filed by the officeholder under this chapter.

(2) The period covered by a report under this subsection ends on June 30.

(c) One semiannual report is due no earlier than January 1 and no later than January 15.

(1) The period covered by a report under this subsection begins on the later of the following dates, as applicable:

(A) July 1;

(B) the first day after the period covered by the last report required by this chapter, whether that report was filed by the officeholder in his or her status as an officeholder or as a candidate; or

(C) the day the officeholder took office, if the report is the first report filed by the officeholder under this chapter.

(2) The period covered by a report under this subsection ends on December 31.

§20.275. Exception from Filing Requirement for Certain Local Officeholders

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

(1) is required to file with an authority other than the commission;

(2) does not have a campaign treasurer appointment on file; and

(3) does not accept more than $900 in political contributions or make more than $900 in political expenditures during the reporting period.

§20.277. Appointment by Officeholder of Campaign Treasurer

(a) An officeholder who appoints a campaign treasurer after a period in which the officeholder did not have a campaign treasurer appointment on file must file a sworn report of contributions and expenditures no later than 15 days after the date the campaign treasurer appointment was filed.

(b) A report required by this section covers a period that begins on the later of the following dates, as applicable:

(1) the first day after the period covered by the last report filed under this chapter, whether that report was filed by the officeholder in his or her status as an officeholder or as a candidate; or

(2) the day the officeholder took office, if the report is the first report filed by the officeholder under this chapter.

(c) The period covered by a report required by this section ends on the day the campaign treasurer appointment was filed.

(d) After an officeholder files a campaign treasurer appointment, the officeholder is a candidate for filing purposes and shall file under Subchapter C of this chapter (relating to Reporting Requirements for a Candidate) rather than under this subchapter.

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

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

(1) the officeholder's full name;

(2) the officeholder's address;

(3) the office held by the officeholder;

(4) for each political committee from which the officeholder received notice under §20.319 of this title (relating to Notice to Candidate or Officeholder) or §20.421 of this title (relating to Notice to Candidate or Officeholder):

(A) the committee's full name;

(B) the committee's address;

(C) identification of the political committee as a general-purpose or a specific-purpose committee;

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

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

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

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

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

(C) the date of the expenditure;

(D) the purpose of the expenditure; and

(E) the amount of the expenditure;

(6) for each person from whom the officeholder accepted a political contribution (other than a pledge, loan, or a guarantee of a loan) of more than $90 in value or political contributions (other than pledges, loans, or guarantees of loans) that total more than $90 in value:

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

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

(C) the total amount of contributions;

(D) the date each contribution was accepted; and

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

(7) for each person from whom the officeholder accepted a pledge or pledges to provide more than $90 in money or goods or services worth more than $90:

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

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

(C) the amount of each pledge;

(D) the date each pledge was accepted; and

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

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

(9) for each person making a loan or loans to the officeholder for officeholder purposes, if the total amount loaned by the person during the period is more than $90:

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

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

(C) the amount of the loan;

(D) the date of the loan;

(E) the interest rate;

(F) the maturity date;

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

(H) if the loan has guarantors:

(i) the full name of each guarantor;

(ii) the address of each guarantor;

(iii) the principal occupation of each guarantor;

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

(v) the amount guaranteed by each guarantor;

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

(11) for political expenditures made during the reporting period that total more than $180 to a single payee, other than expenditures reported under paragraph (5) of this section:

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

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

(C) the date of the expenditure;

(D) the purpose of the expenditure; and

(E) the amount of the expenditure;

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

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

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

(C) the date of each expenditure;

(D) the purpose of the expenditure;

(E) a declaration that the expenditure was made from personal funds;

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

(G) the amount of the expenditure;

(13) for each non-political expenditure made from political contributions, other than expenditures reported under paragraph (5) of this section:

(A) the date of each expenditure;

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

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

(D) the purpose of the expenditure; and

(E) the amount of the expenditure;

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

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

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

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

(16) 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 that is received during the reporting period and the amount of which exceeds $130;

(17) any proceeds of the sale of an asset purchased with a political contribution that is received during the reporting period and the amount of which exceeds $130;

(18) any other gain from a political contribution that is received during the reporting period and the amount of which exceeds $130;

(19) any investment purchased with a political contribution that is received during the reporting period and the amount of which exceeds $130;

(20) the full name and address of each person from whom an amount described by paragraph (16), (17), (18), or (19) of the section is received, the date the amount is received, and the purpose for which the amount is received;

(21) the following total amounts:

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

(B) the total amount or an itemized listing of political contributions (other than pledges, loans, or guarantees of loans) of $90 and less;

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

(D) the total amount or an itemized listing of the political expenditures of $180 and less; and

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

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

§20.281. Special Session Report by Certain Officeholders

(a) A statewide officeholder or member of the legislature who accepts a political contribution during the period that begins on the date the governor signs a proclamation calling a special legislative session and ends on the date of final adjournment must file a special session report.

(b) A special session report is a report of contributions only, not expenditures. Expenditures made during the period covered by a special session report are required to be reported in the next applicable sworn report of contributions and expenditures.

(c) Contributions reported in a special session report are required to be reported in the next applicable sworn report of contributions and expenditures.

(d) A special session report must be filed with the commission no later than the 30th day after the date of final adjournment of the special session.

(e) A determination to accept or refuse a political contribution received during the period covered by a special session report shall be made no later than the third day after the date the contribution is received.

(f) A contribution that is refused under subsection (e) of this section must be returned no later than the 30th day after the date of final adjournment. A contribution not returned by that date will be deemed accepted.

(g) An officeholder is not required to file a separate special session report if another report is due not later than the 10th day after the date a report required under this section would be due.

§20.283. Contents of Special Session Report

A report required by §20.281 of this title (relating to Special Session Report by Certain Officeholders) shall include the following information:

(1) the officeholder's name;

(2) the officeholder's address;

(3) the office held;

(4) the date each contribution was accepted;

(5) the name of each person making a contribution;

(6) the address of each person making a contribution;

(7) the amount of each contribution accepted during the period;

(8) a description of any in-kind contribution; and

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

§20.285. Annual Report of Unexpended Contributions by Former Officeholder

(a) A person who ceases to be an officeholder at a time when he or she does not have a campaign treasurer appointment on file must file an annual report if he or she has unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions after filing the last required report as an officeholder.

(b) A report under this section shall be filed not earlier than January 1 and not later than January 15 of each year following the year in which the former officeholder filed the last required report as an officeholder, unless the requirement to file annual reports has ended as provided by subsection (d) of this section.

(c) The report is filed with the authority with whom the former officeholder's campaign treasurer appointment was required to be filed.

(d) The requirement to file annual reports ends after:

(1) all political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions have been disbursed and reported on an annual report; or

(2) the former officeholder has complied with §20.289 of this title (relating to Disposition of Unexpended Contributions) and §20.291 of this title (relating to Report of Final Disposition of Unexpended Contributions).

§20.287. Contents of Annual Report

(a) An annual report of unexpended contributions shall include the following information:

(1) the officeholder's full name;

(2) the officeholder's address;

(3) for each payment made by the officeholder from unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions during the previous year:

(A) the full name of each person to whom a payment was made;

(B) the address of each person to whom a payment was made;

(C) the date of each payment;

(D) the nature of the goods or services for which the payment was made; and

(E) the amount of the payment;

(4) the total amount of unexpended political contributions as of December 31 of the previous year;

(5) the total amount of interest and other income earned on unexpended political contributions during the previous year; and

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

§20.289. Disposition of Unexpended Contributions

(a) A former officeholder who did not have a campaign treasurer appointment on file at the time he or she ceased to be an officeholder may not retain unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions for more than six years after the date he or she ceased to be an officeholder, except as provided by subsection (f) of this section.

(b) During the six-year period after the date a former officeholder ceased to be an officeholder, the former officeholder covered by subsection (a) of this section may disburse unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions for a purpose listed in §20.237 of this title (relating to Final Disposition of Unexpended Contributions).

(c) A former officeholder may not convert political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions to personal use.

(d) At the end of the six-year period, a former officeholder covered by subsection (a) of this section must dispose of unexpended political contributions, unexpended interest or other income earned from political contributions, and assets purchased with political contributions or interest or other income earned from political contributions in one of the ways listed in §20.237 of this title (relating to Final Disposition of Unexpended Contributions).

(e) A former officeholder must make the disposition required by subsection (c) of this section by the 10th day after the end of the six-year period.

(f) The six-year period prescribed by subsection (a) of this section ceases to run if the former officeholder files a campaign treasurer appointment during the period.

§20.291. Report of Final Disposition of Unexpended Contributions

(a) A former officeholder who disposes of unexpended contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions under §20.289 of this title (relating to Disposition of Unexpended Contributions) is required to file a report of the final disposition.

(b) A report of final disposition of unexpended contributions must be filed no later than the 30th day after the end of the six-year period prescribed by §20.289(a) of this title.

(c) The report shall be filed with the authority with whom the former officeholder’s last required report as an officeholder was required to be filed.

(d) The report shall cover the period that begins on the first day after the period covered by the last report required through the day a report under this section is filed.

§20.293. Contents of Report of Final Disposition of Unexpended Contributions

(a) A report of final disposition of unexpended contributions shall include the following information:

(1) the officeholder's full name;

(2) the officeholder's address;

(3) the full name of each person to whom a payment from unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions was made;

(4) the address of each person to whom such a payment was made;

(5) the date of each payment;

(6) the nature of the goods and services received for each payment;

(7) the amount of each payment; and

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

§20.295. Contribution of Unexpended Political Contributions to Candidate or Political Committee

(a) A former officeholder who contributes unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions to a candidate or political committee must report the contribution on an annual report of unexpended contributions or on a report of final disposition of unexpended contributions, as applicable. The former officeholder must also report the contribution under subsection (b) of this section.

(b) A former officeholder who contributes unexpended political contributions, unexpended interest or other income earned from political contributions, or assets purchased with political contributions or interest or other income earned from political contributions to a candidate or political committee must report each contribution to the filing authority with whom the candidate or political committee receiving the contribution files reports.

(1) The former officeholder must report such contributions on the form used for reports of contributions and expenditures a specific-purpose committee.

(2) The former officeholder must file the report by the due date for the report in which the candidate or political committee receiving the contribution must report the receipt of the contribution.

Subchapter E. REPORTS BY A SPECIFIC-PURPOSE COMMITTEE

§20.301. Thresholds for Campaign Treasurer Appointment

(a) A specific-purpose committee may not accept political contributions exceeding $870 and may not make or authorize political expenditures exceeding $870 without filing a campaign treasurer appointment with the appropriate filing authority.

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

(1) a statewide office;

(2) a seat in the state legislature;

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

(4) a multi-county district office; or

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

§20.303. Appointment of Campaign Treasurer

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

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

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

§20.305. Appointing an Assistant Campaign Treasurer

(a) A specific-purpose committee for supporting or opposing a candidate for an office specified by §252.005(1), Election Code or a statewide or district measure may appoint an assistant campaign treasurer by written appointment filed with the commission.

(b) A statewide measure is a measure to be voted on by all eligible voters in the state.

(c) A district measure is a measure to be voted on by the voters of a district.

(d) The assistant campaign treasurer has the same authority as the campaign treasurer. However, if the campaign treasurer appointment is terminated the assistant campaign treasurer no longer has authority to act as the campaign treasurer.

(e) The campaign treasurer, not the assistant campaign treasurer, is liable for any penalties assessed by the commission for late reports or incomplete reports or for failure to file a report.

(f) Section 20.315 of this title (relating to Termination of Campaign Treasurer Appointment) and §20.317 of this title (relating to Termination Report) apply to the appointment and removal of an assistant campaign treasurer.

§20.307. Name of Specific-Purpose Committee

The name of a specific-purpose committee that supports a candidate for or an officeholder of an office specified by §252.005(1), Election Code must include the full name of that candidate or officeholder.

§20.309. Contents of Specific-Purpose Committee Campaign Treasurer Appointment

A campaign treasurer appointment for a specific-purpose committee shall include the following information:

(1) the full name of the specific-purpose committee;

(2) the address of the specific-purpose committee;

(3) the full name of the person appointing the campaign treasurer;

(4) the following information for the individual appointed campaign treasurer and, if an assistant campaign treasurer is appointed, for that individual also:

(A) the individual's full name;

(B) the individual's residence or business street address;

(C) if the individual's mailing address is different from the street address provided, the mailing address for the individual; and

(D) the individual's telephone number;

(5) for each candidate supported or opposed by the specific-purpose committee:

(A) the full name of the candidate;

(B) the office sought by the candidate; and

(C) an indication whether the specific-purpose committee supports or opposes the candidate;

(6) for each officeholder assisted by the specific-purpose committee:

(A) the full name of the officeholder;

(B) the office held by the officeholder; and

(C) an indication that the specific-purpose committee assists the officeholder;

(7) for each measure supported or opposed by the specific-purpose committee:

(A) a description of the measure; and

(B) an indication whether the specific-purpose committee supports or opposes the measure; and

(8) the signature of the individual appointed campaign treasurer.

§20.311. Updating Certain Information on the Campaign Treasurer Appointment

(a) Except as provided by subsection (b) of this section, if there is a change in any information that is required to be reported in a specific-purpose committee's campaign treasurer appointment, the campaign treasurer must notify the filing authority of the change no later than the 10th day after the date on which the change occurs.

(b) The campaign treasurer must report a change in the name of or office sought by a candidate whom the specific-purpose committee supports or opposes within 24 hours of the change.

§20.313. Converting to a General-Purpose Committee

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

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

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

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

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

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

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

§20.315. Termination of Campaign Treasurer Appointment

(a) A specific-purpose committee may terminate a campaign treasurer appointment at any time by:

(1) notifying the filing authority in writing of the termination;

(2) filing a campaign treasurer appointment for a successor campaign treasurer; or

(3) filing a dissolution report.

(b) A committee's campaign treasurer may resign by immediately notifying both the appointing authority and the filing authority in writing.

(c) Except as provided by subsection (e) of this section, if the campaign treasurer resigns or otherwise leaves the position, the termination is effective on the date the committee actually receives the notice or on the date the filing authority actually receives the notice, whichever is later.

(d) Section 20.23 of this title (relating to Timeliness of Action by Mail) does not apply to subsection (c) of this section.

(e) For purposes of the termination report required by §20.317 of this title (relating to Termination Report), a campaign treasurer's resignation is effective on the date the treasurer resigns as provided by subsection (b) of this section.

(f) Section 20.23 of this title (relating to Timeliness of Action by Mail) applies to subsection (e) of this section.

(g) A termination of a specific-purpose committee's campaign treasurer appointment and the filing of the termination report by themselves do not dissolve the specific-purpose committee. A specific-purpose committee can be dissolved only by filing a dissolution report.

(h) For purposes of this section, the appropriate filing authority for a campaign treasurer appointment of a specific-purpose committee created to support or oppose a measure on the issuance of bonds by a school district is the secretary of the school board (or the presiding officer if the school board has no secretary), except that the commission is the appropriate filing authority for a dissolution report.

§20.317. Termination Report

(a) If the campaign treasurer appointment of a specific-purpose committee is terminated, the campaign treasurer whose appointment was terminated shall file a termination report that contains the information listed in §20.331 of this title (relating to Contents of Specific-Purpose Committee Sworn Report of Contributions and Expenditures).

(b) A termination report is not required if the termination occurs on the last day of a reporting period under this subchapter and the campaign treasurer files a report for that period as provided by this subchapter.

(c) A termination report covers a period that begins on the day after the period covered by the last report of contributions and expenditures required to be filed under this subchapter (other than a special pre-election report or a special session report) or the day the campaign treasurer appointment was filed (if the committee has not yet filed a report of contributions and expenditures). The period covered by the report ends on the day the termination of the campaign treasurer appointment is effective.

(d) The report shall be filed not later than the 10th day after the date the termination of the campaign treasurer appointment is effective.

(e) Activity reported in a termination report is not required to be included in any subsequent report of the specific-purpose committee that is filed under this subchapter.

§20.319. Notice to Candidate or Officeholder

(a) The campaign treasurer of a specific-purpose committee that accepts political contributions or makes political expenditures for a candidate or officeholder shall notify the affected candidate or officeholder of that fact in accordance with this section.

(b) This section does not apply to a specific-purpose committee that has not appointed a campaign treasurer in accordance with §20.303(b) of this title (relating to Appointment of Campaign Treasurer).

(c) The notice required by this section shall be in writing and shall include:

(1) the full name of the specific-purpose committee;

(2) the address of the specific-purpose committee;

(3) the full name of the specific-purpose committee's campaign treasurer;

(4) the address of the specific-purpose committee's campaign treasurer;

(5) a statement that the committee is a specific-purpose committee; and

(6) a statement that the specific-purpose committee has accepted political contributions or has made political expenditures on behalf of the candidate or officeholder.

(d) The notice required by this section shall be delivered no later than the end of the reporting period in which the reportable activity occurs.

§20.321. Involvement in More Than One Election by Certain Specific-Purpose Committees

A specific-purpose committee that supports or opposes more than one candidate or measure may be required to file reports covering overlapping periods. If so, the committee is only required to report activity occurring during the period of overlap on the first report on which the activity is required to be reported.

§20.323. Semiannual Reports

(a) The campaign treasurer of a specific-purpose committee shall file semiannual reports as provided by this section.

(b) One semiannual report is due no earlier than July 1 and no later than July 15.

(1) The period covered by a report under this subsection begins on the later of the following dates, as applicable:

(A) January 1;

(B) the day the committee's campaign treasurer appointment was filed, if this is the committee's first report filed under this subchapter (other than a special pre-election report or a special session report); or

(C) the first day after the period covered by the last report required by this subchapter (other than a special pre-election report or a special session report).

(2) The period covered by a report under this subsection ends on June 30.

(c) One semiannual report is due no earlier than January 1 and no later than January 15.

(1) The period covered by a report under this subsection begins on the later of the following dates, as applicable:

(A) July 1;

(B) the day the committee's campaign treasurer appointment was filed, if this is the committee's first report filed under this subchapter (other than a special pre-election report or a special session report); or

(C) the first day after the period covered by the last report required by this subchapter (other than a special pre-election report or a special session report).

(2) The period covered by a report under this subsection ends on December 31.

§20.325. Pre-election Reports

(a) The campaign treasurer of a specific-purpose committee that supports or opposes a candidate or a measure in an election shall file pre-election reports as provided by subsections (d) and (e) of this section.

(b) For purposes of this section, supporting or opposing a candidate or a measure in an election means accepting political contributions or making political expenditures to support or oppose the candidate or measure.

(c) The campaign treasurer of a specific-purpose committee that has declared an intention to file under the modified schedule in accordance with §20.329 of this title (relating to Modified

Reporting) and that remains eligible to file under the modified schedule is not required to file pre-election reports.

(d) A specific-purpose committee that supports or opposes a candidate or measure in an election during the reporting period set out in the next sentence of this subsection must file a report under this subsection. The report required by this subsection covers a period that begins on either the day the committee's campaign treasurer appointment was filed or the first day after the period covered by the last report (other than a special pre-election report or special session report) filed under this subchapter, as applicable, and ends on the 40th day before the election. The report due under this subsection must be received by the authority with whom the report is required to be filed no later than the 30th day before the election.

(e) A specific-purpose committee that was required to file a pre-election report under subsection (d) of this section must file a report under this subsection by the eighth day before the election. The report shall cover a period that begins on the 39th day before the election and ends on the 10th day before the election. The report must be received by the authority with whom the report is required to be filed no later than the eighth day before the election.

(f) A committee that was not required to file a report under subsection (d) of this section is required to file a report by the eighth day before the election if the committee supports or opposes a candidate or measure during the period that begins on the 39th day before the election and ends on the 10th day before the election. A report required under this subsection shall cover a period that begins on either the day the committee's campaign treasurer appointment was filed or the first day after the period covered by the last report (other than a special pre-election report or special session report) filed under this subchapter, as applicable, and ends on the 10th day before the election.

§20.327. Runoff Report

(a) A specific-purpose committee that supports or opposes a candidate or measure in a runoff election shall file a runoff report, except as provided by subsection (b) of this section.

(b) A specific-purpose committee that has declared an intention to file under the modified schedule in accordance with §20.329 of this title (relating to Modified Reporting) and that remains eligible to file under the modified schedule is not required to file a runoff report.

(c) A runoff report must be received by the authority with whom the report is required to be filed no later than the eighth day before the runoff election.

(d) A runoff report covers the period that begins on the ninth day before the date of the main election and ends on the 10th day before the runoff.

(e) For purposes of this section, supporting or opposing a candidate or a measure in an election means accepting political contributions or making political expenditures to support or oppose the candidate or measure.

§20.329. Modified Reporting

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

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

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

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

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

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

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

> (1) The period covered by a 48-hour report shall begin either on the day the committee's campaign treasurer appointment was filed (if it is the committee's first report of contributions and expenditures) or on the first day after the period covered by the last report (other than a special pre-election report or special session report) filed under this subchapter, as applicable.
>
> (2) The period covered by a 48-hour report shall continue through the day the committee exceeded one of the limits for modified reporting.

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

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

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

(1) the full name of the specific-purpose committee;

(2) the address of the specific-purpose committee;

(3) the full name of the specific-purpose committee's campaign treasurer;

(4) the residence or business street address of the specific-purpose committee's campaign treasurer;

(5) the committee campaign treasurer's telephone number;

(6) the identity and date of the election for which the report is filed, if applicable;

(7) for each candidate supported or opposed by the specific-purpose committee:

(A) the full name of the candidate;

(B) the office sought by the candidate; and

(C) an indication of whether the committee supports or opposes the candidate;

(8) for each officeholder assisted by the specific-purpose committee:

(A) the full name of the officeholder;

(B) the office held by the officeholder; and

(C) an indication of whether the committee supports or opposes the officeholder;

(9) for each measure supported or opposed by the specific-purpose committee:

(A) a description of the measure; and

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

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

(A) the amount returned;

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

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

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

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

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

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

(C) the date of the expenditure;

(D) the purpose of the expenditure; and

(E) the amount of the expenditure;

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

(A) the date each contribution was accepted;

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

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

(D) the amount of the contribution; and

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

(13) for each person from whom the specific-purpose committee accepted a political contribution (other than a pledge, loan, or a guarantee of a loan) of more than $90 in value or political contributions (other than pledges, loans, or guarantees of loans) that total more than $90 in value:

(A) the full name of the person;

(B) the address of the person;

(C) the total amount of contributions;

(D) the date each contribution was accepted; and

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

(14) for each person from whom the specific-purpose committee accepted a pledge or pledges to provide more than $90 in money or to provide goods or services worth more than$900:

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

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

(C) the amount of the pledge;

(D) the date each pledge was accepted; and

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

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

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

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

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

(C) the amount of the loan;

(D) the date of the loan;

(E) the interest rate;

(F) the maturity date;

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

(H) if the loan has guarantors:

(i) the full name of each guarantor;

(ii) the address of each guarantor;

(iii) the principal occupation of each guarantor;

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

(v) the amount guaranteed by each guarantor;

(17) the total amount of loans accepted during the period for $90 and less from persons other than financial institutions engaged in the business of making loans for more than one year, except those reported under paragraph (16) of this section;

(18) for political expenditures made during the reporting period that total more than $180 to a single payee:

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

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

(C) the date of the expenditure;

(D) the purpose of the expenditure; and

(E) the amount of the expenditure;

(19) for each direct campaign expenditure benefiting a candidate or officeholder, except for a direct campaign expenditure made by a committee supporting only one candidate or officeholder:

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

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

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

(A) the date of each expenditure;

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

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

(D) the purpose of the expenditure; and

(E) the amount of the expenditure;

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

(22) 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 that is received during the reporting period and the amount of which exceeds $130;

(23) any proceeds of the sale of an asset purchased with a political contribution that is received during the reporting period and the amount of which exceeds $130;

(24) any other gain from a political contribution that is received during the reporting period and the amount of which exceeds $130;

(25) any investment purchased with a political contribution that is received during the reporting period and the amount of which exceeds $130;

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

(27) the following total amounts:

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

(B) the total amount or an itemized listing of political contributions (other than pledges, loans, or guarantees of loans) of $90 and less;

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

(D) the total amount or an itemized listing of the political expenditures of $180 and less; and

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

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

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

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

(b) A campaign treasurer for a specific-purpose committee for supporting or opposing a candidate for an office specified by §252.005(1), Election Code, that, during the period described in subsection (a) of this section, accepts one or more political contributions from a person that in the aggregate exceed $1,790 must file special pre-election reports.

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

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

(e) The campaign treasurer of a specific-purpose committee must file a special pre-election report for each person whose contribution or contributions made during the period for special pre-election reports exceed the threshold for special pre-election reports.

(f) A campaign treasurer of a specific-purpose committee must also report contributions reported on a special pre-election report on the next semiannual, pre-election, or runoff report filed, as applicable.

§20.335. Form and Contents of Special Pre-Election Report by a Specific-Purpose Committee Supporting or Opposing Certain Candidates

(a) A special pre-election report shall be filed electronically as required by §254.036, Election Code, unless a report is exempt from electronic filing. A special pre-election report that is exempt from electronic filing under §254.036(c), Election Code, is not required to be on a form prescribed by the commission.

(b) A special pre-election report shall include the following information:

(1) the full name of the specific-purpose committee;

(2) the full name of the campaign treasurer;

(3) the name of the person making a contribution or contributions that triggered the requirement to file a special pre-election report;

(4) the address of the person making the contribution or contributions;

(5) the amount of each contribution;

(6) the date each contribution was accepted; and

(7) a description of any in-kind contribution.

§20.337. Special Session Reports by Specific-Purpose Committees

(a) A campaign treasurer of a specific-purpose committee for supporting, opposing, or assisting a candidate for or holder of a statewide office or the legislature that accepts a political contribution during the period that begins on the date the governor signs a proclamation calling a special legislative session and ends on the date of final adjournment must file a special session report.

(b) A special session report must be filed with the commission not later than the 30th day after the date of final adjournment of the special session.

(c) A special session report is a report of contributions only, not expenditures. Expenditures made during the period covered by a special session report are required to be reported in the next applicable sworn report of contributions and expenditures.

(d) Contributions reported in a special session report are required to be reported in the next applicable sworn report of contributions and expenditures.

(e) A determination to accept or refuse a political contribution received during the period covered by a special session report shall be made no later than the third day after the date the contribution is received.

(f) A contribution that is refused under subsection (e) of this section must be returned no later than the 30th day after the date of final adjournment. A contribution not returned by that date will be deemed accepted.

(g) A specific-purpose committee's campaign treasurer is not required to file a separate special session report if another report is due no later than the 10th day after the date a report required under this section would be due.

§20.339. Contents of the Special Session Report

A report required by §20.337 of this title (relating to Special Session Reports by Specific-Purpose Committees) shall include the following information:

(1) the specific-purpose committee's full name;

(2) the specific-purpose committee's address;

(3) the committee campaign treasurer's full name;

(4) the campaign treasurer's residence or business street address;

(5) for each candidate supported or opposed by the specific-purpose committee:

(A) the full name of the candidate;

(B) the office sought by the candidate; and

(C) an indication of whether the committee supports or opposes the candidate;

(6) for each officeholder supported or opposed by the committee:

(A) the full name of the officeholder;

(B) the office held by the officeholder; and

(C) an indication of whether the committee supports or opposes the officeholder;

(7) the date each contribution was accepted;

(8) the full name of each person making a contribution;

(9) the address of each person making a contribution;

(10) the amount of each contribution accepted during the period;

(11) a description of any in-kind contribution; and

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

§20.341. Dissolution Report

(a) The campaign treasurer of a specific-purpose committee may file a dissolution report at any time that the committee expects no further reportable activity to occur.

(b) A dissolution report does not have to be filed by a designated deadline.

(c) Filing a dissolution report:

(1) relieves the campaign treasurer of the duty to file additional reports under this subchapter; and

(2) terminates the specific-purpose committee's campaign treasurer appointment.

§20.343. Contents of Dissolution Report

A dissolution report must contain:

(1) the information described in §20.331 of this title (relating to Contents of Specific-Purpose Committee Sworn Report of Contributions and Expenditures); and

(2) the following sworn statement, signed by the specific-purpose committee's campaign treasurer, and properly notarized: "I, the undersigned campaign treasurer, do not expect the occurrence of any further reportable activity by this specific-purpose committee for this or any other campaign or election for which reporting under the Election Code is required. I declare that all of the information required to be reported by me has been reported. I understand that designating a report as a dissolution report terminates the appointment of campaign treasurer. I further understand the circumstances in which the specific-purpose committee may not make or authorize political expenditures or accept political contributions without having an appointment of campaign treasurer on file."

Subchapter F. REPORTING REQUIREMENT FOR A GENERAL PURPOSE COMMITTEE

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

(a) A general-purpose committee may not accept political contributions exceeding $870 and may not make or authorize political expenditures exceeding $870 without filing a campaign treasurer appointment with the commission.

(b) Unless the committee's campaign treasurer appointment was filed not later than the 30th day before the appropriate election day, a general-purpose committee may not knowingly make or authorize campaign contributions or campaign expenditures exceeding $870 to support or oppose a candidate in a primary or general election for the following:

(1) a statewide office;

(2) a seat in the state legislature;

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

(4) a multi-county district office; or

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

§20.403. Reporting Requirements for Certain General-Purpose Committees

(a) A general-purpose committee that is established by a political party's county executive committee is subject to Subchapter I of this chapter (relating to Rules Applicable to a Political Party's County Executive Committee). Subchapter I of this chapter prevails over this subchapter in the case of conflict.

(b) A general-purpose committee that is the principal political committee of a political party is subject to Subchapter G of this chapter (relating to Rules Applicable to a Principal Political Committee of a Political Party). Subchapter G of this chapter prevails over this subchapter in the case of conflict.

(c) A general-purpose committee that supports or opposes a candidate for state chair of a political party is subject to Subchapter K of this chapter (relating to Reports by Political Committees Supporting or Opposing a Candidate for State Chair of a Political Party). Subchapter K of this chapter prevails over this subchapter in the case of conflict.

§20.405. Campaign Treasurer Appointment for a General-Purpose Political Committee

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

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

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

§20.407. Appointing an Assistant Campaign Treasurer

(a) A general-purpose committee may appoint an assistant campaign treasurer by written appointment filed with the commission.

(b) The assistant campaign treasurer has the same authority as the campaign treasurer. However, if the campaign treasurer appointment is terminated, the assistant campaign treasurer no longer has authority to act as the campaign treasurer.

(c) The campaign treasurer, not the assistant campaign treasurer, is liable for any penalties assessed by the commission for late reports or incomplete reports or for failure to file a report.

(d) Section 20.415 of this title (relating to Termination of Campaign Treasurer Appointment) and §20.417 of this title (relating to Termination Report) apply to the appointment and removal of an assistant campaign treasurer.

§20.409. Name of General-Purpose Committee

(a) The name of a general-purpose committee must include the full name of each corporation, labor organization, or other association or legal entity other than an individual that directly establishes, administers, or controls the general-purpose committee.

(b) A corporation, labor organization, or other association or legal entity that "directly establishes, administers, or controls" a general-purpose committee is one that has:

(1) the authority to actively participate in determining to whom the general-purpose committee makes political contributions or for what purposes the general-purpose committee makes political expenditures; or

(2) the authority to designate a person to a position of authority with the general-purpose committee, including that of an officer or director of the general-purpose committee.

(c) The name of an entity used in the name of a general-purpose committee may be a commonly recognized acronym by which the entity is known.

(d) The name of a general-purpose committee may not be the same as or deceptively similar to the name of any other general-purpose committee that has an active campaign treasurer appointment on file with the commission. The commission shall determine whether the name of a general-purpose political committee is in violation of this prohibition and shall immediately notify the campaign treasurer of the offending political committee of that determination. In determining whether the name of a general-purpose committee is the same as or deceptively similar to the name of any other general-purpose committee, the commission may be guided by Texas Administrative Code, Title 1, Part 4, Chapter 79. The campaign treasurer of the political committee must file a name change with the commission not later than the 14th day after the date of notification.

(e) For purposes of subsection (d) of this section, a general-purpose committee does not have an active campaign treasurer appointment on file with the commission if the committee files a dissolution report under §254.159, Election Code, or the campaign treasurer appointment for the committee is terminated and more than one year has lapsed since the committee has filed another campaign treasurer appointment with the commission.

§20.411. Contents of General-Purpose Committee Campaign Treasurer Appointment

A campaign treasurer appointment for a general-purpose committee shall include the following information:

(1) the full name of the general-purpose committee, and, if the name is an acronym, the words the acronym represents;

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

(3) the full name of the person appointing the campaign treasurer;

(4) the following information for the individual appointed campaign treasurer and, if an assistant campaign treasurer is appointed, for that individual as well:

(A) the individual's full name;

(B) the individual's residence or business street address;

(C) if the individual's mailing address is different from the street address provided, the mailing address for the individual; and

(D) the individual's telephone number;

(5) one of the following:

(A) the full name and any acronym of the name that is used in the name of the general-purpose committee pursuant to §20.409 of this title (relating to Name of General-Purpose Committee), if applicable; or

(B) the full name of each person who determines to whom the general-purpose committee makes contributions; or

(C) the full name of each person who determines for what purposes the general-purpose committee makes expenditures;

(6) the name of each other general-purpose committee to which the general-purpose committee intends to make political contributions;

(7) an indication whether the general-purpose committee will file under the regular reporting schedule pursuant to §§20.423, 20.425, and 20.427 of this title (relating to Semiannual Reports; Pre-election Reports; Runoff Report) or under the monthly schedule pursuant to §20.429 of this title (relating to the Option To File Monthly); and

(8) the signature of the individual appointed campaign treasurer.

§20.413. Updating Information on the Campaign Treasurer Appointment

(a) The campaign treasurer must notify the commission in writing of any change in the campaign treasurer's address no later than the 10th day after the date on which the change occurs.

(b) If any of the information required to be included in the general-purpose committee's appointment changes, excluding changes in the campaign treasurer's address, the campaign treasurer shall file a corrected appointment with the commission no later than the 30th day after the date the change occurs.

§20.415. Termination of Campaign Treasurer Appointment

(a) A general-purpose committee may terminate a campaign treasurer appointment at any time by:

(1) notifying the commission in writing of the termination;

(2) filing a campaign treasurer appointment for a successor campaign treasurer; or

(3) filing a dissolution report.

(b) A committee's campaign treasurer may resign by immediately notifying both the appointing authority and the filing authority in writing.

(c) If the campaign treasurer resigns or otherwise leaves the position, the termination is effective on the date the committee actually receives the notice or on the date the filing authority actually receives the notice, whichever is later. Section 20.23 of this title (relating to Timeliness of Action by Mail) does not apply to this subsection.

(d) For purposes of the termination report required by §20.417 of this title (relating to Termination Report), a campaign treasurer's resignation is effective on the date the treasurer resigns, as provided by subsection (b) of this section. Section 20.23 of this title (relating to Timeliness of Action by Mail) applies to this subsection.

(e) A termination of a general-purpose committee's campaign treasurer appointment and the filing of the termination report by themselves do not dissolve the general-purpose committee. A general-purpose committee can be dissolved only by filing a dissolution report with the commission.

§20.417. Termination Report

(a) If the campaign treasurer appointment of a general-purpose committee is terminated, the campaign treasurer whose appointment was terminated shall file a termination report that contains the information listed in §20.433 of this title (relating to Contents of General-Purpose Committee Sworn Report of Contributions and Expenditures), except as provided by §20.434 of this title (relating to Alternate Reporting Requirements for Certain General-Purpose Committees).

(b) A termination report is not required if the termination occurs on the last day of a reporting period under this subchapter and the campaign treasurer files a report for that period as provided by this subchapter.

(c) A termination report covers a period that begins on either the day after the period covered by the last report of contributions and expenditures required to be filed under this subchapter (other than a special pre-election report) or the day the campaign treasurer appointment was filed (if the committee has not yet filed a report of contributions and expenditures). The period covered by the report continues through the day the termination of the campaign treasurer appointment is effective.

(d) The report shall be filed not later than the 10th day after the date the termination of the campaign treasurer appointment is effective.

(e) Activity reported in a termination report is not required to be included in any subsequent report of the general-purpose committee that is filed under this subchapter.

§20.419. Converting to a Specific-Purpose Committee

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

(b) The campaign treasurer of a general-purpose committee that changes its operation and becomes a specific-purpose committee shall deliver written notice of the change in status to the commission.

(c) The notice shall identify the filing authority with whom future filings by the committee are expected to be made.

(d) The notice required by this section is due not later than the next deadline for filing a report under this subchapter that:

(1) occurs after the change in status; and

(2) would be applicable to the committee if it were still a general-purpose committee.

(e) As provided by §20.301 of this title (relating to Thresholds for Campaign Treasurer Appointment), a new specific-purpose committee involved in an election supporting or opposing a candidate for a statewide office, the state legislature, the State Board of Education, or a multi-county district office in a primary or general election may not accept political contributions exceeding $500 and may not make or authorize political expenditure exceeding $500 unless the committee's campaign treasurer appointment as a specific-purpose committee has been on file at least 30 days before the applicable election day.

§20.421. Notice to Candidate or Officeholder

(a) The campaign treasurer of a general-purpose committee that accepts political contributions or makes political expenditures for a candidate or officeholder shall notify the affected candidate or officeholder in accordance with this section.

(b) This section does not apply to a general-purpose committee that has not appointed a campaign treasurer in accordance with §20.405 of this title (relating to Campaign Treasurer Appointment for a General-Purpose Political Committee).

(c) The notice required by this section shall be in writing and shall include:

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

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

(3) the full name of the general-purpose committee's campaign treasurer;

(4) the address of the general-purpose committee's campaign treasurer;

(5) a statement that the committee is a general-purpose committee; and

(6) a statement that the general-purpose committee has accepted political contributions or has made political expenditures on behalf of the candidate or officeholder.

(d) The notice required by this section shall be delivered no later than the end of reporting period in which the reportable activity occurs.

§20.423. Semiannual Reports

(a) Except as provided by subsection (d) of this section, the campaign treasurer of a general-purpose committee shall file semiannual reports as provided by this section.

(b) One semiannual report is due no earlier than July 1 and no later than July 15.

(1) The report due by July 15 shall cover a period that begins on either January 1, the day the committee's campaign treasurer appointment was filed, or the first day after the period covered by the last report required to be filed under this subchapter (other than a special pre-election report), as applicable.

(2) The period covered by the report due on July 15 ends on June 30.

(c) One semiannual report is due no earlier than January 1 and no later than January 15.

(1) The report due on January 15 shall cover a period that begins on either July 1, the day the committee's campaign treasurer appointment was filed, or the first day after the period covered by the last report required to be filed under this subchapter (other than a special pre-election report), as applicable.

(2) The period covered by the report due on January 15 ends on December 31.

(d) A general-purpose committee that files monthly reports under §20.429 of this title (relating to Option To File Monthly) does not file under this section.

§20.425. Pre-election Reports

(a) A general-purpose committee that accepts political contributions or makes political expenditures in support of or in opposition to a candidate or measure to be voted on in an election shall file pre-election reports as provided by subsections (c) and (d) of this section.

(b) A general-purpose committee that files under §20.429 of this title (relating to Option To File Monthly) does not file under this section.

(c) The first pre-election report must be received by the authority with whom the report is required to be filed no later than the 30th day before the election.

(1) A general-purpose committee that accepts a political contribution or makes a political expenditure to support or oppose a candidate or measure in the election during the period set out in paragraph (2) of this subsection must file a report under this subsection.

(2) The report covers a period that begins on either the day the committee's campaign treasurer appointment was filed or the first day after the period covered by the last report

(other than a special pre-election report) filed under this subchapter, as applicable, and ends on the 40th day before the election.

(d) The second pre-election report must be received by the authority with whom the report is required to be filed no later than the eighth day before the election. The period covered by this report depends on whether the committee was required to file a report under subsection (c) of this section.

(1) A general-purpose committee that was required to file a pre-election report under subsection (c) of this section must file a report under this subsection by the eighth day before the election. The report shall cover a period that begins on the 39th day before the election and ends the 10th day before the election.

(2) A committee that was not required to file a report by the 30th day before the election is required to file a report by the eighth day before the election if the committee accepts a political contribution or makes a political expenditure to support or oppose a candidate or measure during the period that begins on the 39th day before the election and ends on the 10th day before the election.

(A) A report that is required to be filed under paragraph (2) of this subsection shall cover a period that begins on either the day the committee's campaign treasurer appointment was filed or the first day after the period covered by the last report (other than a special pre-election report) filed under this subchapter, as applicable.

(B) The period covered by a report under paragraph (2) of this subsection ends on the 10th day before the election.

§20.427. Runoff Report

(a) A general-purpose committee that accepts political contributions or makes political expenditures to support or oppose a candidate or measure in a runoff election shall file a runoff report, except as provided by §20.429 of this title (relating to Option To File Monthly).

(b) A runoff report must be received by the authority with whom the report is required to be filed no later than the eighth day before the runoff election.

(c) A runoff report covers the period that begins on the ninth day before the date of the main election and ends on the 10th day before the runoff.

§20.429. Option To File Monthly

(a) As an alternative to filing semiannual, pre-election, and runoff reports, a general-purpose committee may file monthly reports.

(b) A general-purpose committee that files on the monthly filing schedule must file special pre-election reports required by §20.435 of this title (relating to Special Pre-Election Reports by Certain General-Purpose Committees).

(c) To be entitled to file monthly reports, the general-purpose committee must deliver written notice of its intent to file monthly to the commission.

(1) A general-purpose committee may file notice of its intent to file monthly at the time the committee files its campaign treasurer appointment.

(2) A general-purpose committee that does not file notice of its intent to file monthly at the time it files its campaign treasurer appointment may file the notice only during the period that begins on January 1 and ends on January 15.

(d) A general-purpose committee that files monthly reports may revert to the regular filing schedule prescribed by §20.423 of this title (relating to Semiannual Reports), §20.425 of this title (relating to Pre-Election Reports), and §20.427 of this title (relating to Runoff Report) by delivering notice to the commission of the general-purpose committee's intent to revert.

(1) The notice must be delivered in writing not earlier than January 1 or later than January 15 of the year for which the general-purpose committee intends to revert to the regular reporting schedule.

(2) The notice must include a report of all political contributions accepted and all political expenditures made that were not previously reported.

§20.431. Monthly Reporting

(a) A monthly report filed by a general-purpose committee shall include the information required by §20.433 of this title (relating to Contents of General-Purpose Committee Sworn Report of Contributions and Expenditures), except that the threshold reporting amount of $90 set out in §20.433(11)-(16), and (20) of this title (relating to Contents of General-Purpose Committee Sworn Report of Contributions and Expenditures) does not apply to a general-purpose committee reporting monthly. For a general-purpose committee reporting monthly, the threshold reporting amount under §20.433(11)-(16) and (20) of this title is $20, except as provided by §20.434 of this title (relating to Alternate Reporting Requirements for Certain General-Purpose Committees).

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

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

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

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

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

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

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

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

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

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

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

(3) the full name of the general-purpose committee's campaign treasurer;

(4) the residence or business street address of the general-purpose committee's campaign treasurer;

(5) the committee campaign treasurer's telephone number;

(6) the identity and date of the election for which the report is filed, if applicable;

(7) the full name of each identified candidate or measure or classification by party of candidates supported or opposed by the general-purpose committee and an indication of whether the general-purpose committee supports or opposes each listed candidate, measure, or classification by party of candidates;

(8) the full name of each identified officeholder or classification by party of officeholders assisted by the general-purpose committee;

(9) if the general-purpose committee supports or opposes measures exclusively, for each contribution accepted from a corporation as defined by §20.1 of this title (relating to Definitions):

(A) the date each contribution was accepted;

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

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

(D) the amount of the contribution; and

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

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

(A) the amount returned;

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

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

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

(11) for each person from whom the general-purpose committee accepted a political contribution other than a pledge or a loan of more than $90 in value, or political contributions other than pledges or loans that total more than $90 in value (or more than $20 for a general-purpose committee reporting monthly):

(A) the date each contribution was accepted;

(B) the full name of the person making the contribution;

(C) the address of the person making the contribution;

(D) the principal occupation of the person making the contribution;

(E) the amount of the contribution; and

(F) a description of any in-kind contribution;

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

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

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

(C) the principal occupation of the person making the pledge;

(D) the amount of each pledge;

(E) the date each pledge was accepted; and

(F) a description of any goods or services pledged;

(13) the total of all pledges accepted during the period for $90 and less from a person, except for those reported under paragraph (12) of this subsection;

(14) for each person making a loan or loans to the general-purpose committee for campaign purposes if the total amount loaned by the person during the period is more than $90 (more than $20 for a general-purpose committee reporting monthly):

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

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

(C) the amount of the loan;

(D) the date of the loan;

(E) the interest rate;

(F) the maturity date;

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

(H) if the loan has guarantors:

(i) the full name of each guarantor;

(ii) the address of each guarantor;

(iii) the principal occupation of each guarantor;

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

(v) the amount guaranteed by each guarantor;

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

(16) for political expenditures made during the reporting period that total more than $180 (more than $20 for a general-purpose committee reporting monthly) to a single payee:

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

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

(C) the date of the expenditure;

(D) the purpose of the expenditure;

(E) the amount of the expenditure; and

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

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

(A) the date of each expenditure;

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

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

(D) the purpose of the expenditure;

(E) the amount of the expenditure; and

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

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

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

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

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

(20) 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 that is received during the reporting period and the amount of which exceeds $130;

(21) any proceeds of the sale of an asset purchased with a political contribution that is received during the reporting period and the amount of which exceeds $130;

(22) any other gain from a political contribution that is received during the reporting period and the amount of which exceeds $130;

(23) any investment purchased with a political contribution that is received during the reporting period and the amount of which exceeds $130;

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

(25) the following total amounts:

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

(B) the total amount or an itemized listing of political contributions (other than pledges, loans, or guarantees of loans) of $90 and less ($20 and less for a general-purpose committee reporting monthly);

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

(D) the total amount or an itemized listing of the political expenditures of $180 and less ($20 and less for a general-purpose committee reporting monthly); and

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

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

§20.434. Alternate Reporting Requirements for General-Purpose Committees

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

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

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

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

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

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

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

(2) accepts political contributions from a person that in the aggregate exceed $6,090 during the reporting period for special pre-election reports.

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

(c) Except as provided by subsection (d) of this section, a report under this section must be received by the commission no later than the first business day after the contribution is accepted or the expenditure is made.

(d) A special pre-election report that is exempt from electronic filing under §254.036(c), Election Code, must be received by the commission no later than 5 p.m. of the first business day after the contribution is accepted or the expenditure is made.

(e) Expenditures and contributions reported under this section must be reported again in the next applicable sworn report of contributions and expenditures.

§20.437. Form and Contents of Special Pre-Election Report

(a) A special pre-election report shall be filed electronically as required by §254.036, Election Code, unless a report is exempt from electronic filing. A special pre-election report that is exempt from electronic filing under §254.036(c), Election Code, is not required to be on a form prescribed by the commission.

(b) A report required by §20.435 of this title (relating to Special Pre-Election Reports by Certain General-Purpose Committees) shall include the following information:

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

(2) the full name of the campaign treasurer;

(3) the amount of each direct campaign expenditure;

(4) the full name and address of the person or persons to whom each direct campaign expenditure is made;

(5) the date of each direct campaign expenditure;

(6) a description of the goods or services for which each direct campaign expenditure was made;

(7) the identification of the candidates or group of candidates benefiting from the direct campaign expenditure;

(8) the name of the person making a contribution or contributions that triggered the requirement to file a special pre-election report;

(9) the address of the person making the contribution or contributions;

(10) the amount of each contribution;

(11) the date each contribution was accepted; and

(12) a description of any in-kind contribution.

§20.439. Dissolution Report

(a) The campaign treasurer of a general-purpose committee may file a dissolution report at any time that the committee expects no further reportable activity to occur.

(b) A dissolution report does not have to be filed by a designated deadline.

(c) Filing a dissolution report:

(1) relieves the campaign treasurer of the duty to file additional reports under this subchapter; and

(2) terminates the general-purpose committee's campaign treasurer appointment.

§20.441. Contents of Dissolution Report

A dissolution report must contain:

(1) the information listed in §20.433 of this title (relating to Contents of General-Purpose Committee Sworn Report of Contributions and Expenditures), except as provided by §20.434 of this title (relating to Alternate Reporting Requirements for Certain General-Purpose Committees); and

(2) the following sworn statement, signed by the general-purpose committee's campaign treasurer, and properly notarized: "I, the undersigned campaign treasurer, do not expect the occurrence of any further reportable activity by this general-purpose committee for this or any other campaign or election for which reporting under the Election Code is required. I declare that all of the information required to be reported by me has been reported. I understand that designating a report as a dissolution report terminates the appointment of campaign treasurer. I further understand the circumstances in which the general-purpose committee may not make or authorize political expenditures or accept political contributions without having an appointment of campaign treasurer on file."

Subchapter G. RULES APPLICABLE TO A PRINCIPAL POLITICAL COMMITTEE OF A POLITICAL PARTY

§20.501. Designation of Principal Political Committee

The state or county executive committee of a political party may designate a general-purpose committee as the principal political committee for that state or county, as applicable.

§20.503. Exceptions from Certain Notice Requirements

(a) The principal political committee for a political party in the state or in a county is exempted from complying with §20.421 of this title (relating to Notice to Candidate or Officeholder).

(b) The principal political committee for a political party in the state or in a county is not required to report under §20.433(16) of this title (relating to Contents of General-Purpose Committee

Sworn Report of Contributions and Expenditures) a direct campaign expenditure that it makes on behalf of a slate of two or more nominees of the party.

Subchapter H. RULES APPLICABLE TO A POLITICAL PARTY ACCEPTING CONTRIBUTIONS FROM CORPORATIONS OR LABOR ORGANIZATIONS

§20.521. Restrictions on Use of Contributions from Corporations or Labor Organizations

A political party that accepts a contribution authorized by §24.19 of this title (relating to Contribution to a Political Party) may use the contribution only for the following purposes:

(1) to defray normal overhead and administrative or operating costs incurred by the party; or

(2) to administer a primary election or convention held by the party.

§20.523. Separate Account Required

(a) Contributions authorized by §24.19 of this title (relating to Contribution to a Political Party) must be maintained in an account separate from other contributions accepted by a political party.

(b) Interest and other income earned from contributions authorized by §24.19 of this title (relating to Contribution to a Political Party) must be maintained in the account required by subsection (a) of this section.

(c) Proceeds from the sale or rent of assets purchased either with contributions authorized by §24.19 of this title (relating to Contribution to a Political Party) or with interest or other income earned from such contributions must be maintained in the account required by subsection (a) of this section.

§20.525. Record of Contributions and Expenditures and Contents of Report

(a) The party chair of a political party is required to maintain a record of all contributions from corporations and labor organizations and all expenditures from such contributions.

(b) The party chair of a political party shall preserve the record required by subsection (a) of this section for at least two years after the filing deadline for the report containing the information on the record.

(c) The party chair of a political party that accepts contributions authorized by §24.19 of this title (relating to Contribution to a Political Party) shall report all contributions and expenditures made to and from the account required by §20.523 of this title (relating to Separate Account Required), in accordance with the reporting schedule in §20.529 of this title (relating to Reporting Schedule for Political Party Accepting Corporate or Labor Organization Contributions).

(d) The reports required by subsection (c) of this section shall contain the following information for the period covered by the report:

(1) the full name of the political party;

(2) the complete mailing address of the political party;

(3) the full name of the political party's chair;

(4) the residence or business street address of the political party's chair;

(5) if the mailing address of the political party's chair is different from the street address provided, the mailing address for the political party's chair;

(6) the political party chair's telephone number;

(7) the identity and date of the election for which the report is filed, if applicable;

(8) for each corporation or labor organization from whom the political party accepted a contribution (other than a pledge, loan, or guarantee of a loan):

(A) the full name of the corporation or labor organization making the contribution;

(B) the address of the corporation or labor organization making the contribution;

(C) the amount of the contribution; and

(D) the date the contribution was accepted;

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

(9) for each corporation or labor organization from whom the political party accepted a pledge:

(A) the full name of the corporation or labor organization making the pledge;

(B) the address of the corporation or labor organization making the pledge;

(C) the amount of the pledge;

(D) the date the pledge was accepted; and

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

(10) for each corporation or labor organization making a loan or loans to the political party:

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

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

(C) the amount of the loan;

(D) the date of the loan;

(E) the interest rate;

(F) the maturity date;

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

(H) if the loan has guarantors:

(i) the full name of each guarantor;

(ii) the address of each guarantor;

(iii) the principal occupation of each guarantor;

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

(v) the amount guaranteed by each guarantor;

(11) for each expenditure made by the political party from the account required by §20.523 of this title (relating to Separate Account Required):

(A) the date of the expenditure;

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

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

(D) the purpose of the expenditure, for example, the nature of the goods or services for which the expenditure was made; and

(E) the amount of the expenditure;

(12) for each expenditure by the political party that was made as a political contribution to a candidate, officeholder, or another political committee and that was returned to the political party during the reporting period:

(A) the amount returned;

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

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

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

(13) the following total amounts:

(A) total amount of all contributions (other than pledges, loans, or guarantees of loans) accepted during the period from corporations or labor organizations;

(B) the total amount of all expenditures made during the period from the account required by §20.523 of this title (relating to Separate Account Required);

(14) if applicable, a statement that no reportable activity occurred during the reporting period; and

(15) an affidavit, executed by the political party's chair, stating: "I swear, or affirm, that the accompanying report is true and correct and includes all information required to be reported by me under Title 15, Election Code."

§20.527. Form of Report

(a) The report required by this subchapter is separate from any other report a political party is required to file under this title.

(b) The report is filed by the chair of the state party or county executive committee, as applicable, and not by the treasurer of a general-purpose committee. Contributions and expenditures required to be reported under this subchapter should not be included on a report filed in accordance with Subchapter F of this chapter (relating to Reporting Requirements for a General-Purpose Committee).

(c) Except as provided by Section 254.036(c), Election Code, each report filed with the commission under this subchapter and chapter 257 of the Election Code must be filed by computer diskette, modem, or other means of electronic transfer, using computer software provided by the commission or computer software that meets commission specifications for a standard file format.

§20.529. Reporting Schedule for Political Party Accepting Corporate or Labor Organization Contributions

A political party that has accepted a contribution from a corporation or labor organization shall file the following reports until the political party is no longer accepting corporate or labor organization contributions and the acceptance and expenditure of all such funds has been reported.

(1) A report shall be filed not earlier than July 1 and not later than July 15, covering the period that begins on either January 1 or the day after the last day included in a primary election report filed under paragraph (3) of this section, as applicable, and ends on June 30.

(2) A report shall be filed not earlier than January 1 and not later than January 15, covering the period that begins on either July 1 or the day after the last day included in a general-election report filed under paragraph (4) of this section, as applicable, and ends on December 31.

(3) A report shall be filed for each primary election held by the political party. The report shall be filed not later than the eighth day before the primary election, covering the period that begins on January 1 and ends on the 10th day before the primary election.

(4) A report shall be filed for the general election for state and county officers. The report shall be filed not later than the 50th day before the general election, covering the period

that begins on July 1 and ends on the 61st day before the general election for state and county officers.

§20.531. Restrictions on Contributions before General Election

A political party may not knowingly accept a contribution authorized by §20.521 of this title (relating to Restrictions on Use of Contributions from Corporations or Labor Organizations) or make an expenditure from a separate account established pursuant to §20.523 of this title (relating to Separate Account Required) during the period that begins on the 60th day before the date of the general election for state and county officers and ends on the day of the election.

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

§20.551. Obligation To Maintain Records

A county executive committee that accepts political contributions or makes political expenditures shall maintain the records required by §20.17 of this title (relating to Retention of Records and Reports).

§20.553. Campaign Treasurer Appointment Not Required for County Executive Committee Accepting Contributions or Making Expenditures Under Certain Amount

(a) A county executive committee accepting political contributions or making political expenditures totaling $32,320 or less in a calendar year is not required to:

(1) appoint a campaign treasurer before accepting political contributions or making political expenditures; or

(2) file the reports required by Subchapter F of this chapter (relating to Reporting Requirements for a General-Purpose Committee).

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

§20.555. County Executive Committee Accepting Contributions or Making Expenditures That Exceed Certain Amount

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

(b) A county executive committee that accepts political contributions or that makes political expenditures that, in the aggregate, exceed $32,320 in a calendar year shall file:

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

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

(c) Contributions accepted from corporations and labor organizations under section 253.104 of the Election Code and reported under Subchapter H of this chapter (relating to Accepting and Reporting Contributions from Corporations and Labor Organizations) do not count against the $32,320 thresholds described in subsection (b) of this section.

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

(1) beginning on January 1 and by the January 15 filing deadline if the committee has exceeded one of the $32,320 thresholds in the previous calendar year; or

(2) at any time if the committee has not exceeded one of the $32,320 thresholds in the calendar year.

§20.557. Exceptions from Certain Restrictions

A county executive committee is excepted from complying with §20.401(a)-(c) of this title (relating to Thresholds for Appointment of Campaign Treasurer by a General-Purpose Committee).

§20.559. Exception from Notice Requirement

A county executive committee that accepts political contributions for or makes political expenditures on behalf of a candidate or officeholder is exempted from complying with §20.421 of this title (relating to Notice to Candidate or Officeholder).

§20.561. County Executive Committee Accepting Contributions from Corporations and/or Labor Organizations

(a) A county executive committee that accepts contributions from corporations or labor organizations authorized by §24.19 of this title (relating to Contribution to a Political Party) is subject to the provisions set out in Subchapter H of this chapter (relating to Rules Applicable to a Political Party Accepting Contributions from Corporations or Labor Organizations).

(b) The chair of a county executive committee that accepts contributions from a corporation or labor organization must file the report required by §20.525 of this title (relating to Record of Contributions and Expenditures).

Subchapter J. REPORTS BY A CANDIDATE FOR STATE OR COUNTY PARTY CHAIR

§20.571. Definitions

The following term, when used in this chapter, shall have the following meaning, unless the context clearly indicates otherwise: Candidate for state chair of a political party--A person who seeks election to serve as the chair of the state executive committee of a political party with a nominee on the ballot in the most recent gubernatorial general election. Candidacy may be evidenced by any one or more of the following actions:

(1) declaring candidacy;

(2) soliciting or accepting a campaign contribution or making or authorizing a campaign expenditure; or

(3) appointing a campaign treasurer as a candidate for state chair.

§20.573. Rules Applicable to Candidate for State Chair of a Political Party

Except as provided by this subchapter, a candidate for state chair of a political party is subject to the rules applicable to a candidate for a statewide public office.

§20.575. Contributions to and Expenditures by Candidate for State Chair of a Political Party

Except as provided by this subchapter, each contribution to and expenditure by a candidate for state chair of a political party is subject to the same rules as contributions to and expenditures by a candidate for statewide public office.

§20.577. Reporting Schedule for a Candidate for State Chair

(a) A candidate for state chair of a political party is required to file only the reports listed in this section and is not required to file any other reports required by candidates for public office under Subchapter C of this chapter (relating to Reporting Requirements for a Candidate).

(b) A candidate for state chair of a political party is required to file semiannual reports as provided by this subsection.

(1) One semiannual report is due no earlier than July 1 and no later than July 15.

(A) The period covered by a report under this paragraph begins on the later of the following dates, as applicable:

(i) January 1;

(ii) the first day after the period covered by the last report required by this subchapter; or

(iii) the day the state chair's campaign treasurer appointment was filed, if this is the first report filed under this subchapter.

(B) The period covered by the report under this paragraph ends on June 30.

(2) One semiannual report is due no earlier than January 1 and no later than January 15. The period covered by a report under this paragraph begins on the later of the following dates, as applicable:

(A) July 1;

(B) the first day after the period covered by the last report required by this subchapter; or

(C) the day the state chair's campaign treasurer appointment was filed, if this is the first report filed under this subchapter.

(c) A candidate for state chair of a political party shall also file the following reports.

(1) A candidate for state chair of a political party shall file a report not earlier than the 39th day before the convening of the state convention and not later than the 30th day before the convening of the state convention. The report shall cover the period that begins on either the day the candidate filed a campaign treasurer appointment with the commission or the first day after the period covered by the last report required to be filed, as applicable, and ends on the 40th day before the convening.

(2) A candidate for state chair of a political party shall file a report not earlier than the ninth day before the convening of the state convention and not later than the eighth day before the convening of the state convention. The report must cover the period that begins on either the day after the candidate filed a campaign treasurer appointment with the commission or the first day after the period covered by the last report required to be filed, as applicable, and ends on the 10th day before the convening.

(d) A candidate for state chair of a political party who expects no further reportable activity in connection with his or her candidacy may file a final report at any time in accordance with §20.229 of this title (relating to Final Report) and §20.231 of this title (relating to Contents of Final Report).

(e) A former candidate for state chair of a political party who retains unexpended political contributions, unexpended interest or other income from political contributions, or assets purchased with political contributions at the time of filing a final report is subject to the requirements of §§20.233, 20.235, 20.237, 20.239, 20.241, and 20.243 of this title (relating to Reporting Requirements for a Candidate).

(f) Except as provided by §254.036(c), Election Code, each report filed with the commission under this section must be filed by computer diskette, modem, or other means of electronic transfer, using computer software provided by the commission or computer software that meets commission specifications for a standard file format.

§20.579. Candidates for County Chair in Certain Counties

(a) This section applies to a candidate for election to the office of county chair of a political party with a nominee on the ballot in the most recent gubernatorial general election if the county has a population of 350,000 or more.

(b) The provisions of this subchapter that apply to a candidate for state party chair apply to a candidate for county chair covered by this section, except that a candidate for county chair is not required to file the pre-convention reports that a state party chair is required to file under section 20.577(c) of this title (relating to Reporting Schedule for a Candidate for State Chair).

(c) In addition to the semiannual reports due to be filed with the commission by January 15 and July 15 under section 20.577(b) of this title, a candidate for county chair covered by this section who has an opponent on the ballot in an election shall file the following two reports with the commission for each primary election except as provided by subsection (d).

> (1) The first report shall be filed not later than the 30th day before primary election day. The report covers the period beginning the day the candidate's campaign treasurer appointment is filed or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through the 40th day before primary election day.
>
> (2) The second report shall be filed not later than the eighth day before election day. The report covers the period beginning the 39th day before primary election day and continuing through the 10th day before primary election day.

(d) A candidate who has declared the intention to file reports in accordance with section 20.217 of this title (relating to Modified Reporting) and who remains eligible to file under the modified schedule is not required to file pre-election reports.

(e) In addition to other required reports, a candidate for county chair covered by this section who is in a runoff election shall file one report with the commission for the runoff election. The runoff election report shall be filed not later than the eighth day before runoff election day. The report covers the period beginning the ninth day before the primary election day and continuing through the tenth day before runoff election day.

(f) Except as provided by Section 254.036(c), Election Code, each report filed with the commission under this section must be filed by computer diskette, modem, or other means of electronic transfer, using computer software provided by the commission or computer software that meets commission specifications for a standard file format.

Subchapter K. REPORTS BY POLITICAL COMMITTEES SUPPORTING OR OPPOSING A CANDIDATE FOR STATE OR COUNTY CHAIR OF A POLITICAL PARTY

§20.591. Appointment of Campaign Treasurer by Political Committee Supporting or Opposing Candidate for State Chair of a Political Party

Except as provided by this subchapter, a political committee supporting or opposing a candidate for state chair of a political party is subject to the rules applicable to a specific-purpose committee supporting or opposing a candidate for a statewide public office.

§20.593. Contributions and Expenditures by Political Committee Supporting or Opposing Candidate for State Chair of a Political Party

Except as provided by this subchapter, each contribution to and expenditure by a political committee supporting or opposing a candidate for state chair of a political party is subject to the same rules as a specific-purpose committee supporting or opposing a candidate for statewide public office.

§20.595. Reporting Schedule for a Political Committee Supporting or Opposing Candidate for State Chair of a Political Party

(a) A political committee supporting or opposing a candidate for state chair of a political party is required to file semiannual reports in accordance with this section.

(1) One semiannual report is due no earlier than July 1 and no later than July 15.

(A) The period covered by a report under this paragraph begins on the later of the following dates, as applicable:

(i) January 1;

(ii) the first day after the period covered by the last report required by this subchapter; or

(iii) the day the political committee's campaign treasurer appointment was filed, if this is the first report filed under this subchapter.

(B) The period covered by the report under this subparagraph ends on June 30.

(2) One semiannual report is due no earlier than January 1 and no later than January 15.

(A) The period covered by a report under this paragraph begins on the later of the following dates, as applicable:

(i) July 1;

(ii) the first day after the period covered by the last report required by this subchapter; or

(iii) the day the political committee's campaign treasurer appointment was filed, if this is the first report filed under this subchapter.

(B) The period covered by the report under this subparagraph ends on December 31.

(b) A political committee supporting or opposing a candidate for state chair of a political party shall also file the following reports.

(1) A political committee supporting or opposing a candidate for state chair of a political party shall file a report not earlier than the 39th day before the convening of the state convention and not later than the 30th day before the convening of the state convention. The report shall cover the period that begins on either the day the political committee filed a campaign treasurer appointment with the commission or the first day after the period covered by the last report required to be filed, as applicable, and ends on the 40th day before the convening.

(2) A political committee supporting or opposing a candidate for state chair of a political party shall file a report not earlier than the ninth day before the convening of the state convention and not later than the eighth day before the convening of the state convention. The report covers the period that begins on either the date the political committee filed a campaign treasurer appointment with the commission or the first day after the period covered by the last report required to be filed, as applicable, and ends on the 10th day before the convening.

(c) A political committee supporting or opposing a candidate for state chair of a political party may file a dissolution report in accordance with §20.341 of this title (relating to Dissolution Report) and §20.343 of this title (relating to Contents of Dissolution Report) at any time that the committee expects no further reportable activity to occur).

§20.597. Political Committees Supporting or Opposing Candidates for County Chair in Certain Counties

(a) This section applies to a political committee supporting or opposing a candidate for election to the office of county chair of a political party with a nominee on the ballot in the most recent gubernatorial general election if the county has a population of 350,000 or more.

(b) The provisions of this subchapter that apply to a political committee supporting or opposing a candidate for state party chair apply to a political committee covered by this section, except that a political committee covered by this section is not required to file the pre-convention reports under §20.595(b) of this title (relating to Reporting Schedule for a Political Committee Supporting or Opposing Candidate for State Chair of a Political Party).

(c) In addition to the semiannual reports due to be filed with the commission by January 15 and July 15, a political committee covered by this section shall file the following two reports with the commission for each primary election.

(1) The first report shall be filed not later than the 30th day before primary election day. The report covers the period beginning the day the committee's campaign treasurer

appointment is filed or the first day after the period covered by the last report required to be filed under this subchapter, as applicable, and continuing through the 40th day before primary election day.

(2) The second report shall be filed not later than the eighth day before election day. The report covers the period beginning the 39th day before primary election day and continuing through the 10th day before primary election day.

(d) In addition to other required reports, a political committee covered by this section shall file one report with the commission for a runoff election in which the candidate supported or opposed by the committee is involved. The runoff election report shall be filed not later than the eighth day before runoff election day. The report covers the period beginning the ninth day before the primary election day and continuing through the tenth day before runoff election day.

(e) Except as provided by Section 254.036(c), Election Code, each report filed with the commission under this section must be filed by computer diskette, modem, or other means of electronic transfer, using computer software provided by the commission or computer software that meets commission specifications for a standard file format.

CHAPTER 22. RESTRICTIONS ON CONTRIBUTIONS AND EXPENDITURES

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

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

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

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

(b) A political committee may not accept political contributions exceeding $870 and may not make or authorize political expenditures exceeding $870 without filing a campaign treasurer appointment with the appropriate filing authority.

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

(1) a statewide office;

(2) a seat in the state legislature;

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

(4) a multi-county district office; or

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

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

§22.3. Disclosure of True Source of Contribution or Expenditure

A person may not knowingly make or authorize a political contribution or political expenditure in the name of or on behalf of another unless the person discloses the name and address of the person who is the true source of the contribution.

§22.6. Reporting Direct Campaign Expenditures

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

§22.7. Contribution from Out-of-State Committee

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

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

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

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

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

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

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

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

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

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

(2) the following information:

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

(B) the address of the committee;

(C) the telephone number of the committee;

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

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

(i) the individual's full name;

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

(iii) the individual's telephone number.

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

§22.9. Cash Contributions Exceeding $100 Prohibited

(a) A candidate, officeholder, or specific-purpose committee may not knowingly accept political contributions in cash that in the aggregate exceed $100 from a contributor in a reporting period.

(b) Checks are not considered cash for purposes of this section.

§22.11. Prohibition on Contributions during Regular Session

(a) During the period that begins on the 30th day before the date a regular legislative session convenes and continuing through the 20th day after the date of final adjournment, a person may not knowingly make a political contribution to:

(1) a statewide officeholder or officer-elect;

(2) a member of the legislature or member-elect; or

(3) a specific-purpose committee for supporting, opposing, or assisting a statewide officeholder or officer-elect or member or member-elect of the legislature.

(b) An individual or committee described in subsection (a) of this section may not knowingly accept a political contribution, and shall refuse a political contribution that is received, during the period prescribed by subsection (a) of this section.

(c) A political contribution that is received and refused pursuant to this section shall be returned to the contributor not later than the 30th day after the date of receipt.

(d) A contribution made by United States mail or by common or contract carrier is not considered received during the period prescribed by subsection (a) of this section if it was deposited into an official repository of the United States Postal Service or delivered to a common or contract carrier with postage prepaid and properly addressed before the beginning of the period. The date

of the postmark or common or contact carrier documents is considered to be the date the contribution was placed in the mail or delivered to the common or contract carrier unless proven otherwise.

(e) This section does not apply to a political contribution that was made and accepted with the intent that it be used:

(1) in an election held or ordered during the period prescribed by subsection (a) of this section in which the person accepting the contribution is a candidate if the contribution was made after the person appointed a campaign treasurer with the appropriate authority and before the person was sworn in for that office;

(2) to defray expenses incurred in connection with an election contest; or

(3) by a person who holds a statewide office or a member of the legislature, if the person or member was defeated at the general election held immediately before the session is convened, or by a specific-purpose political committee that supports or assists only that person or member.

§22.13. Contributions in the Capitol Prohibited

In §253.039 of the Election Code, the term "Capitol" includes the Capitol Building and the Capitol Extension, and any office that is being used as the official capitol office for a member of the legislature, the governor, the lieutenant governor, or the secretary of state.

§22.17. Prohibition on Personal Use of Political Contributions

(a) A person who accepts a political contribution as a candidate or officeholder may not convert the contribution to personal use. This subsection applies only to political contributions accepted on or after September 1, 1983.

(b) A specific-purpose committee that accepts a political contribution may not convert the contribution to the personal use of a candidate, officeholder, or former candidate or officeholder. This prohibition applies only to political contributions accepted on or after September 1, 1987.

(c) The prohibitions set out in subsections (a) and (b) of this section apply to the use of an asset purchased with political contributions and to the use of any interest or other income earned on political contributions.

(d) "Personal use" means a use that primarily furthers individual or family purposes not connected with the performance of duties or activities as a candidate for or holder of a public office. It does not include:

(1) payments made to defray ordinary and necessary expenses incurred in connection with activities as a candidate or in connection with the performance of duties or activities as a public officeholder, including payment of rent, utility, and other reasonable housing or household expenses incurred in maintaining a residence in Travis County by members of the legislature who do not normally reside in Travis County, but excluding payments prohibited pursuant to §22.15 of this title (relating to Prohibition on Payments Made to Purchase Real Property);

(2) payments of federal income taxes due on interest and other income earned on political contributions;

(3) use of contributions for defending a criminal action or prosecuting or defending a civil action brought by or against the individual in his or her status as a candidate or officeholder;

(4) use of contributions for participating in an election contest or participating in a civil action to determine an individual's eligibility to be a candidate for, or elected or appointed to, a public office in this state;

(5) an expenditure for a purpose listed in §20.289 of this title (relating to Disposition of Unexpended Contributions);

(6) payment of travel expenses of a candidate's spouse or any other person if the spouse or other person is campaigning for candidate; or

(7) payment of travel expenses of an officeholder's spouse or any other person if the other person's travel is in connection with the performance of duties or activities as a public officeholder.

(e) An asset purchased with political contributions is not converted to personal use if the political contributions are fully reimbursed during the reporting period in which the use occurred in an amount that reasonably reflects the value of the use.

§22.19. General Restrictions on Reimbursement of Personal Funds

(a) If a candidate makes political expenditures from the candidate's personal funds, he or she may reimburse those personal funds from political contributions only if the expenditure is reported and the candidate states his or her intent to reimburse personal funds pursuant to §20.219(16) of this title (relating to Content of Candidate's Sworn Report of Contributions and Expenditures).

(b) If an officeholder who does not have a campaign treasurer appointment on file makes political expenditures from the officeholder's personal funds, he or she may reimburse those personal funds from political contributions only if the expenditure is reported and the officeholder states his or her intent to reimburse personal funds pursuant to §20.279(12) of this title (relating to Contents of Officeholder's Sworn Report of Contributions and Expenditures).

(c) A candidate or officeholder may reimburse personal funds from political contributions for the use of personal assets for political purposes provided that the reimbursement is reported as a political expenditure.

(d) A candidate or officeholder who makes political expenditures from his or her personal funds may reimburse those personal funds from political contributions only if:

(1) the expenditures were fully reported as political expenditures on the report covering the period during which the expenditures were made; and

(2) the report disclosing the expenditures indicates that the expenditures were made from the candidate's or officeholder's personal funds and are subject to reimbursement.

(e) A candidate's or officeholder's failure to comply with subsection (d) of this section may not be cured by filing a corrected report after the report deadline has passed.

(f) A candidate or officeholder who has complied with subsection (d) of this section and whose personal funds have been reimbursed from political contributions must report the amount of the reimbursement as a political expenditure in the report covering the period during which the reimbursement was made.

(g) Section 22.21 of this title (relating to Additional Restrictions on Reimbursement of Personal Funds and Payments on Certain Loans) sets limits on the amount of political expenditures from personal funds that a statewide officeholder may reimburse from political contributions.

§22.21. Additional Restrictions on Reimbursement of Personal Funds and Payments on Certain Loans

(a) A candidate or officeholder who makes political expenditures from personal funds may not reimburse his or her personal funds from political contributions in amounts that in the aggregate exceed the following amounts for each election in which the person's name appears on the ballot:

(1) for a statewide office other than governor, $250,000; or

(2) for governor, $500,000.

(b) A candidate or officeholder who accepts one or more political contributions in the form of loans, including an extension of credit or a guarantee of a loan or extension of credit, from one or more persons related to the candidate or officeholder within the second degree by affinity or consanguinity, as defined by the Government Code, Chapter 573, Subchapter B (concerning Relationships by Consanguinity or by Affinity), may not use political contributions to repay the loans in amounts that in the aggregate exceed the amount prescribed by subsection (a) of this section. Interest on loans from the personal funds of any person related to the candidate or officeholder within the second degree by affinity or consanguinity is included in the amount prescribed by subsection (a) of this section.

(c) The total amount of both reimbursements and repayments made by a candidate or officeholder under this section may not exceed the amount prescribed by subsection (a) of this section.

(d) An individual who is both a candidate and an officeholder covered by subsection (a) of this section may reimburse his or her personal funds or repay loans from political contributions only in one capacity.

§22.23. Restrictions on Certain Payments

(a) A candidate or officeholder, or a specific-purpose committee for supporting, opposing, or assisting the candidate or officeholder, may not knowingly make or authorize a payment from a political contribution if the payment is made for personal services rendered by the candidate or officeholder or by the spouse or dependent child of the candidate or officeholder to:

(1) a business in which the candidate or officeholder has a participating interest of more than 10%, holds a position on the governing body of the business, or serves as an officer of the business; or

(2) the candidate or officeholder or the spouse or dependent child of the candidate or officeholder.

(b) A payment made from a political contribution to a business described by subsection (a) of this section that is not prohibited by that subsection may not exceed the amount necessary to reimburse the business for actual expenditures made by the business.

(c) A discount given by a corporation to conform with subsection (b) of this section does not constitute a political contribution from the corporation.

§22.27. Time Limit on Retaining Unexpended Contributions

A former candidate may retain unexpended political contributions after he or she ceases to be a candidate or officeholder only in accordance with §20.237 of this title (relating to Final Disposition of Unexpended Contributions) or §20.289 of this title (relating to Disposition of Unexpended Contributions), as applicable.

§22.29. Activity after Death or Incapacity of Candidate or Officeholder

(a) The legal representative of a candidate or officeholder who has died or become incapacitated may accept political contributions and make or authorize expenditures only for the following purposes:

(1) payment of debts or expenses in connection with a campaign or in connection with officeholder duties and activities;

(2) payments to the political party with which the person was affiliated when the person's name last appeared on a ballot;

(3) political contributions to a candidate or political committee;

(4) donations to the Comptroller of Public Accounts for deposit in the state treasury;

(5) refunds of contributions to one or more persons from whom political contributions were received, not to exceed the total amount contributed by each person within the last two years;

(6) donations to a charity recognized by the Internal Revenue Service as tax-exempt;

(7) donations to a public or private post-secondary educational institution or an institution of higher education as defined by the Education Code, §61.003(8) (concerning Definitions), solely for the purpose of assisting or creating a scholarship program; or

(8) payment of federal income taxes due on interest and other income earned on political contributions.

(b) See §20.67 of this title (relating to Reporting after the Death or Incapacity of a Filer) in regard to reporting requirements after the death or incapacity of a candidate or officeholder.

§22.31. Restrictions on Foreign Nationals

Federal law prohibits contributions from foreign nationals who have not been granted permanent residence in the United States. See United States Code, Title 2, §441(e).

§22.35. Corporate Contributions to Certain Political Committees.

(a) A political committee that accepts a monetary political contribution from a corporation or labor organization shall maintain the contribution in a separate account for political contributions from corporations and labor organizations.

(b) A political committee that accepts a political contribution from a corporation or labor organization shall not use the contribution to make a political contribution to:

(1) a candidate for elective office;

(2) an officeholder; or

(3) a political committee other than a hybrid committee, a direct campaign expenditure-only committee, or a political committee that supports or opposes measures exclusively.

CHAPTER 24. RESTRICTIONS ON CONTRIBUTIONS AND EXPENDITURES APPLICABLE TO CORPORATIONS AND LABOR ORGANIZATIONS

§24.1. Corporations and Certain Associations Covered

(a) This chapter applies to:

(1) labor organizations;

(2) corporations that are organized under the Texas Business Corporation Act, the Texas For-Profit Corporation Law, the Texas Non-Profit Corporation Act, the Texas Non-Profit Corporation Law, federal law, or the laws of another state or nation; and

(3) the following associations, whether incorporated or not, for purposes of this chapter are considered to be corporations covered by this chapter:

(A) banks;

(B) trust companies;

(C) savings and loan associations or companies;

(D) insurance companies;

(E) reciprocal or interinsurance exchanges;

(F) railroad companies;

(G) cemetery companies;

(H) government-regulated cooperatives;

(I) stock companies; and

(J) abstract and title insurance companies.

(b) For purposes of this chapter, members of a corporation that does not have stockholders and members of an association listed in subsection (a)(3) of this section are considered to be stockholders.

(c) This chapter does not apply to a political committee that incorporates for liability purposes only in accordance with subsection (d) of this section, provided that the sole principal purpose of the committee is accepting political contributions and making political expenditures.

(d) A political committee may incorporate to limit its liability by providing in its official incorporation documents that it is a political committee that is incorporating for liability purposes only, and that its only principal purpose is to accept political contributions and make political expenditures.

§24.5. Corporate Loans

(a) A corporation may not make a loan to a candidate, officeholder, or political committee for campaign or officeholder purposes unless:

(1) the corporation has been legally and continuously engaged in the business of lending money for at least one year before the loan is made; and

(2) the loan is made in the due course of business.

(b) This section does not apply to a loan to a political committee that supports or opposes measures exclusively.

§24.15. Payments to a Corporation of the Candidate or Officeholder

(a) If a corporation charges a candidate, officeholder, or specific-purpose committee for supporting or assisting a candidate or officeholder less than fair market value for goods or services in order to comply with §253.041(b) of the Election Code, the discount is not a prohibited corporate contribution.

(b) If the discount is greater than is necessary to comply with §253.041(b) of the Election Code, the discount is a prohibited corporate contribution if the discount is not otherwise authorized by this chapter.

§24.17. Corporate Expenditures for Get-Out-the-Vote Campaigns Permitted

(a) An expenditure to finance a voter registration or get-out-the-vote drive is not a political expenditure if the drive encourages voting in general but does not encourage voting for or against a measure, candidate, officeholder, or political party.

(b) A corporation or labor organization is permitted to make an expenditure described in subsection (a) of this section.

(c) A corporate or labor organization expenditure described by subsection (a) of this section is not reportable.

§24.18. Designation of Contribution for Administrative Purposes

(*a*) Any of the following will serve to designate a *political expenditure in the form of a political contribution made by a corporation or labor organization* as restricted to the establishment, administration, maintenance, or operation of a general-purpose committee:

(1) A contemporaneous written instruction that the *contribution* is restricted to the administration, maintenance, or operation of the committee accepting the *contribution*;

(2) The negotiable instrument conveying the contribution contains language indicating that the entity is a corporation, including but not limited to "Inc.," "Incorporated," "Corp.," or "Corporation;"

(3) The general-purpose committee accepting the contribution reports the contribution as monetary contribution or monetary support from a corporation or labor organization on the committee's campaign finance report; *or*

(4) The general-purpose committee accepting the contribution deposits the contribution into a separate segregated account for political contributions from corporations and labor organizations.

(b) Subsection (a) of this section shall not be read to restrict a hybrid committee, a direct campaign expenditure-only committee, or a political committee that supports or opposes measures exclusively from using a contribution from a corporation or labor organization to make a direct campaign expenditure.

§24.19. Affidavit Required by a Political Committee Making a Direct Campaign Expenditure from a Political Contribution Accepted from a Corporation or Labor Organization.

A political committee, including a direct campaign expenditure-only committee, must include in its campaign treasurer appointment the affidavit described by section 252.003(a)(4) (relating to contents of a general-purpose committee's campaign treasurer appointment) or 252.0031(a)(2) (relating to contents of a specific-purpose committee's campaign treasurer appointment) of the Election Code, as applicable, before using a political contribution from a corporation or labor organization to make a direct campaign expenditure in connection with a campaign for an elective office.

CHAPTER 26. POLITICAL AND LEGISLATIVE ADVERTISING

§26.1. Disclosure Statement

(a) A disclosure statement that is required by §255.001, Election Code, must contain the words "political advertising" or any recognizable abbreviation, and must*:*

(1) appear on one line of text or on successive lines of text on the face of the political advertising; or

(2) be clearly spoken in the political advertising if the political advertising does not include written text.

(b) A disclosure statement is not required on political advertising printed on letterhead stationery if the letterhead contains the full name of one of the following:

(1) the person who paid for the political advertising;

(2) the political committee authorizing the political advertising; or

(3) the candidate authorizing the political advertising.

(c) A disclosure statement is not required *on:*

(1) campaign buttons, pins, or hats, or on objects whose size makes printing the disclosure impractical;

(2) political advertising posted or re-posted on an Internet website, as long as the person posting or re-posting the political advertising:

(i) is not an officeholder, candidate, or political committee; and

(ii) did not make an expenditure exceeding $100 in a reporting period for political advertising beyond the basic cost of hardware messaging software and bandwidth;

(3) the Internet social media profile webpage of a candidate or officeholder, provided the webpage clearly and conspicuously displays the full name of the candidate or officeholder; or

(4) political advertising posted or re-posted by a person on an Internet website, provided the advertising is posted with a link to a publicly viewable Internet webpage that:

(i) contains the disclosure statement; or

(ii) is exempt from containing the disclosure statement under Subsection (c)(3).

(d) For the purposes of Subsection (c), an “Internet social media profile webpage” is an Internet webpage on a website where members of the public may, for no charge, connect electronically with other members of the public and share text, images, videos, and similar forms of communications.

§26.2. Newsletter of Public Officer of a Political Subdivision

For purposes of §255.003 of the Election Code, a newsletter of a public officer of a political subdivision is not political advertising if:

(1) It includes no more than two pictures of a public officer per page and if the total amount of area covered by the pictures is no more than 20 percent of the page on which the pictures appear;

(2) It includes no more than eight personally phrased references (such as the public officer's name, "I", "me", "the city council member") on a page that is 8 ½" x 11" or larger, with a reasonable reduction in the number of such personally phrased references in pages smaller than 8 ½" x 11"; and

(3) When viewed as a whole and in the proper context:

(A) is informational rather than self-promotional;

(B) does not advocate passage or defeat of a measure; and

(C) does not support or oppose a candidate for nomination or election to a public office or office of political party, a political party, or a public officer.

§26.3. Legislative Advertising

Political advertising as defined by the Election Code, Section 251.001(16) (concerning Definitions), does not constitute legislative advertising under the Government Code, Section 305.027 (concerning Required Disclosure on Legislative Advertising).

§26.5. Code of Fair Campaign Practices

A candidate or political committee that has filed a copy of the Code of Fair Campaign Practices as provided by the Election Code, Chapter 258, may indicate that fact on political advertising by including the following or a substantially similar statement: (Name of the candidate or political committee, as appropriate) subscribes to the Code of Fair Campaign Practices.

§26.7. Use of the Term "Reelect" in Political Advertising

A person or candidate may, in the event of redistricting, use the term "reelect" in a campaign for elective office only if the candidate is the elected incumbent of an office that represented any part of the new or renumbered district prior to the redistricting.

CHAPTER 28. REPORTS BY A CANDIDATE FOR SPEAKER OF THE HOUSE OF REPRESENTATIVES

§28.1. Definitions

The following words and terms, when used in this Chapter 28, shall have the following meanings, unless the context clearly indicates otherwise:

Campaign funds--For purposes of the Government Code, Chapter 302 (concerning Speaker of the House of Representatives), "campaign funds" as defined in §302.011 (concerning Definitions) shall include "interest earned" and shall include "interest paid."

§28.3. Termination of Candidacy

For purposes of the Government Code, §302.013 (concerning Filing of Statement of Contributions, Loans, and Expenditures), a speaker candidate is considered to have terminated the candidacy when the candidate is no longer seeking the office or is ineligible to seek the office.

§28.5. Information To Report

Each report required to be filed with the commission pursuant to the Government Code, §302.013 (concerning Filing of Statement of Contributions, Loans, and Expenditures), shall set forth the total amount of interest earned during the reporting period.

§28.7. Permitted Expenditures

As required by the Government Code, §302.020 (concerning Permitted Expenditures), a speaker candidate shall not expend campaign funds for any purpose other than those permitted by §302.020 (concerning Permitted Expenditures), and then only if those expenditures are directly related to the speaker candidacy; provided, that this section is not intended to prohibit the payment from campaign funds of federal income taxes due on campaign funds.

§28.9. Segregation of Campaign Funds

All contributed campaign funds shall be maintained in accounts separate and apart from any other accounts.

CHAPTER 34. REGULATION OF LOBBYISTS

Subchapter A. GENERAL PROVISIONS

§34.1. Definitions

The following words and terms, when used in this chapter, shall have the following meanings, unless the context clearly indicates otherwise.

(1) Communicates directly with, or any variation of that phrase--In Government Code, Chapter 305, and in this chapter includes communication by facsimile transmission.

(2) Expenditure--In Government Code, Chapter 305, and in this chapter does not include a payment of less than $200 that is fully reimbursed by the member of the legislative or executive branch who benefits from the expenditure if the member of the legislative or executive branch fully reimburses the person making the payment before the date the person would otherwise be required to report the payment.

(3) Lobby activity--Direct communication with and preparation for direct communication with a member of the legislative or executive branch to influence legislation or administrative action.

(4) Registrant--In Government Code, Chapter 305, and in this chapter means a person who is required to register as well as a person who has registered regardless of whether that person's registration was required.

§34.3. Compensation for Preparation Time

Compensation a person receives for preparing to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action is included in calculating compensation for purposes of the registration and reporting requirements in Government Code, Chapter 305, and this chapter. Examples of preparation for lobby communications include participation in strategy sessions, review and analysis of legislation or administrative matters, research and communication with the employer/client. A person who does not directly communicate with a member of the legislative or executive branch to influence legislation or administrative action is not required to register because of compensation received for preparing to do so.

§34.5. Certain Compensation Excluded

(a) Compensation received for the following activities is not included for purposes of calculating the registration threshold under Government Code §305.003(a)(2) and this chapter:

(1) requesting a written opinion that interprets a law, regulation, rule, policy, practice, or procedure administered by a state office or agency;

(2) preparation or submission of an application or other written document that merely provides information required by law, statute, rule, regulation, order, or subpoena, or that responds to a document prepared by a state agency;

(3) communicating merely for the purpose of demonstrating compliance with an audit, inspection, examination of a financial institution, or government investigation to interpret and determine compliance with existing laws, rules, policies, and procedures;

(4) communicating for the purpose of achieving compliance with existing laws, rules, policies, and procedures, including communications to show qualification for an exception of general applicability that is available under existing laws, rules, policies, and procedures;

(5) providing to a member of the legislative or executive branch information consisting of facts or data that the member requested in writing regarding legislation or administrative action, when the request was not solicited by or on behalf of the person providing the information;

(6) communicating to an agency's legal counsel, an administrative law judge, or a hearings examiner concerning litigation or adjudicative proceedings to which the agency is a party, or concerning adjudicative proceedings of that agency;

(7) providing testimony, making an appearance, or any other type of communication documented as part of a public record in a proceeding of an adjudicative nature of the type authorized by or subject to the Administrative Procedure Act, Government Code, Chapter 2001, whether or not that proceeding is subject to the Open Meetings Law;

(8) providing oral or written comments, making an appearance, or any other type of communication, if documented as part of a public record in an agency's rule-making proceeding under the Administrative Procedure Act, Government Code, Chapter 2001, or in public records kept in connection with a legislative hearing; or

(9) providing only clerical assistance to another in connection with the other person's lobbying (for example, a person who merely types or delivers another person's letter to a member).

(b) Subsection (a) of this section does not apply to a registrant. A registrant's activity described by subsection (a) is subject to disclosure under Chapter 305 of the Government Code and this title.

§34.7. Reimbursement for Office Expenses

Reimbursement received for the following office expenses is not included in calculating reimbursement for purposes of the registration and reporting requirements in Government Code, Chapter 305, and this chapter.

(1) long distance telephone charges;

(2) delivery charges;

(3) photocopy expenses;

(4) facsimile expenses;

(5) office supplies;

(6) postage; and

(7) dues and subscriptions.

§34.9. Taxes and Tips

Taxes and tips are not included in determining the amount of an expenditure for purposes of Government Code, Chapter 305, and this chapter.

§34.11. Attribution of Expenditure to More Than One Person; Reimbursement of Lobby Expenditure

(a) Except as provided by Government Code, §305.0021, a lobby expenditure made on a person's behalf and with the person's consent or ratification is an expenditure by that person for purposes of registration and reporting under Government Code, Chapter 305, and this chapter.

(b) Payment of reimbursement to a registrant is not included for purposes of calculation of the registration threshold under Government Code, §305.003(a)(1), and is not required to be reported if the registrant receiving the reimbursement reports the expenditure on a lobby activity report.

(c) A registrant is not required to report a lobby expenditure attributable to more than one person if another registrant has reported the expenditure.

§34.13. Incidental Expenditures for Transportation.

Government Code, §305.024(a)(3), does not prohibit an expenditure for transportation of incidental value such as transportation in the form of a ride of short duration in a personal car or taxi.

§34.14. Expenditures for Fact-Finding Trips

(a) For purposes of §305.025(3), Government Code, an expenditure for transportation or lodging provided to a member of the legislative or executive branch is for a fact-finding trip only if:

(1) the expenditure is necessary for the member to obtain information that directly relates to the member's official duties;

(2) the member cannot reasonably obtain the information without the expenditure; and

(3) the expenditure is not for the member's attendance at a merely ceremonial event or pleasure trip.

(b) If an expenditure made for transportation or lodging for a fact-finding trip is required to be disclosed on a lobby activities report by §305.0061(a), Government Code, the purpose of the transportation or lodging must include a description of the information that the expenditure was necessary to obtain under subsection (a) of this section.

§34.15. Reporting Subject Matter

(a) A registrant reporting subject matter under Government Code, §305.005(f)(4), (f)(5)(B), or §305.006(d), of this chapter, shall report subject matter by marking the appropriate subject matter categories.

(b) A registrant reporting the subject matter of communications to influence administrative action shall also report, if known or reasonably available to the registrant, the docket number or other administrative designation of any administrative action that is the subject of the registrant's direct communication with a member of the executive branch, and the name of the agency or department at which the administrative action is pending.

§34.17. Satisfaction of Presence Requirement by Entity

An entity may satisfy the presence requirement in Government Code §305.006(f), and §305.024(a)(7), by the presence of:

(1) an individual registrant who represents the entity; or

(2) a person whose position, authority, or conduct on behalf of the entity could support an award of exemplary damages against the entity.

§34.19. Courtesy Notices by Electronic Mail

(a) A person required to register as a lobbyist may provide to the commission an electronic mail address to which courtesy notices regarding filing requirements under Chapter 305 of the Government Code may be sent.

(b) The commission is not obligated to send notices regarding filing requirements to a person required to register as a lobbyist who does not provide to the commission an electronic mail address.

(c) Failure to receive a notice regarding filing requirements does not constitute an excuse for failing to comply with any filing deadline.

Subchapter B. REGISTRATION REQUIRED

§34.41. Expenditure Threshold

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

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

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

§34.43. Compensation and Reimbursement Threshold

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

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

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

§34.45. Entity Registration

(a) An entity that is required to register under Government Code, §305.003, and this chapter may nonetheless avoid registration if all activity otherwise reportable by the entity is reported by one or more individual registrants in accordance with §34.65 and §34.85 of this title (relating to Compensation Reported by Lobby Firm Employee and Individual Reporting Expenditure by Entity).

(b) An entity that avoids registration under subsection (a) of this section becomes subject to Government Code, §305.024 on the earlier of the date the entity makes the expenditure that would have required the entity to register as a lobbyist or the date the entity receives, or is entitled to receive compensation or reimbursement that would have required the entity to register as a lobbyist.

(c) Registration by an entity does not relieve any individual of the requirement to register if that individual meets one of the registration thresholds in Government Code, §305.003.

Subchapter C. COMPLETING THE REGISTRATION FORM

§34.63. Assistants

(a) For purposes of Government Code, §305.005(f)(5), a person "employed or retained by the registrant for the purpose of assisting in direct communication" includes any person who provides administrative or research assistance to the registrant but does not include a person who provides only clerical or secretarial help.

(b) An individual employed by the same employer as the registrant and who assists the registrant at the direction of the registrant is "employed or retained" by the registrant for purposes of Government Code, §305.005(f)(5).

(c) A person listed by a registrant as an assistant under Government Code, §305.005(f)(5), is required to register if the assistant meets one of the registration thresholds under Government Code, §305.003, and this chapter.

§34.65. Compensation Reported by Lobby Firm Employee

(a) An individual registrant employed, reimbursed, or retained by a business entity that receives compensation and/or reimbursement for lobby activity is required to report all compensation and/or reimbursement paid to the entity for lobby activity by that individual.

(b) An individual registrant employed, reimbursed, or retained by a business entity that receives compensation and/or reimbursement for lobby activity may also report compensation and/or reimbursement paid to the entity for lobby activity by one or more other persons if the entity requests that the individual do so in order for the entity to avoid registration.

(c) The individual registrant shall report the compensation by the date on which the entity, if registered, would have been required to report it. The individual registrant shall indicate on a registration or amended registration, as applicable, that he has reported compensation and/or reimbursement paid to an entity for lobby activity by one or more persons other than the registrant.

§34.67. Paid, Earned, and Prospective Compensation

(a) For purposes of Government Code, §305.005, and this chapter, compensation may be reported in any one of the following three ways:

(1) compensation actually paid for lobby activity during the year of registration as of the date the registration form or amended registration form is filed;

(2) compensation earned for lobby activity during the year of registration as of the date the registration form or amended registration form is filed, regardless of whether paid; or

(3) promised compensation for lobby activity during the year of registration, regardless of whether earned or paid on the date the registration form or amended registration form is filed.

(b) A registrant shall indicate on a registration form or amended registration form whether compensation is reported under subsection (a)(1), (2), or (3) of this section.

§34.69. Subject Matter

A registrant shall report the subject matter of lobby activity, in accordance with Government Code, §305.005(f)(4), with respect to each person who reimburses, retains, or employs the registrant to engage in lobby activity.

§34.71. Amending a Registration Form

(a) A change with respect to a docket number or other administrative designation is not required to be reported on an amended registration unless the docket number or other administrative designation is related to a subject matter category not previously reported by the registrant.

(b) Except as necessary to report changed information, a registrant shall not report information about subject matter on an amended registration form that the registrant reported on the registration form or on a previous amended registration form.

(c) A registrant is not required to report on an amended registration form reimbursement received for a lobby expenditure that the registrant will report on a lobby activity report.

§34.75. Reporting of Commission or Fee Paid by State Agency

(a) In addition to the contents required by §305.005 of the Government Code and this chapter, a registration filed by a person who is paid a sales commission or such fee by a state agency must;

(1) disclose the state agency as a client;

(2) indicate that the client is a state agency;

(3) provide a description of the subject matter for which the person is paid a sales commission or such fee; and

(4) disclose the amount of the sales commission or such fee.

(b) If the amount of the sales commission or such fee is not known at the time of the reporting, the registration must disclose a reasonable estimate of the maximum amount of the sales commission or such fee and the method under which that amount will be computed.

§34.77. Disclosure of Registration under Foreign Agents Registration Act

The registration of any person who has also filed an active registration statement under the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. §611 et seq.), must include the registration number assigned to the registration statement by the United States Attorney General until the registration statement is terminated.

Subchapter D. LOBBY ACTIVITY REPORTS

§34.81. Election to File Annually

A registrant who is eligible to file an annual lobby activity report under Government Code, §305.0063, may elect to do so at any time during the registration year.

§34.83. Time of Expenditure

For reporting purposes, an expenditure is not made until the amount of the expenditure is readily determinable by the person making the expenditure. If the normal business practice of a vendor

or service provider is to make the amount charged known by sending a bill after expenses are incurred, the date of the expenditure, for reporting purposes, is the date the person billed receives the bill.

§34.85. Individual Reporting Expenditure by Entity

(a) An individual registrant may report an expenditure made by a lobby entity if the entity requests that the individual do so in order for the entity to avoid registration; and

(1) the entity makes the expenditure in order for the individual to act on the entity's behalf to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action; or

(2) the entity compensates or reimburses the individual to act on behalf of the entity or on behalf of the entity's clients to communicate directly with a member of the legislative or executive branch to influence legislation or administrative action.

(b) The individual registrant shall report the expenditure by the date on which the entity, if registered, would have been required to report it. The individual registrant shall indicate on a lobby activity report that he or she has reported expenditures made by an entity and indicate the specific amount reported on behalf of the entity.

(c) For purposes of Government Code, §305.0021(b), an expenditure made by an entity under subsection (a) of this section, is not a joint expenditure for purposes of Government Code, §305.0021(b) if the entity makes the entirety of the expenditure at issue.

(d) In this provision "lobby entity" means a corporation, association, firm, partnership, committee, club, organization, or other group of persons voluntarily acting in concert that meets one of the registration thresholds in Government Code, §305.003.

Subchapter E. ELECTRONIC FILING

§34.91. Exemptions from Electronic Filing

(a) A registrant is required to file each report electronically by using the Internet to transmit the report, by using the web-based filing application provided by the commission, unless the registrant files with the commission an affidavit stating that:

(1) the registrant does not use a computer or mobile device, including a tablet or smartphone with access to the Internet;

(2) no person acting as an agent or consultant of the registrant and no person with whom the registrant contracts uses a computer or mobile device, including a tablet or smartphone with access to the Internet;

(3) the registrant does not intend to be compensated or reimbursed for lobby activity in the calendar year covered by the registration;

(4) the registrant was not compensated for lobby activity in either of the previous two calendar years;

(5) the registrant does not intend to *make* lobby expenditures during the calendar year covered by the registration; and

(6) the registrant did not *make* lobby expenditures in either of the previous two calendar years.

(b) The commission has the discretion to exempt from the electronic filing requirement a registrant who is not eligible to file under subsection (a) of this section if a registrant submits an affidavit to the commission stating the basis for the inability to filing electronically.

(c) A registrant who is eligible to file under subsection (a) of this section must file an affidavit under subsection (a) of this section with *each report* filed under Chapter 305 of the Government Code and this chapter.

(d) A registrant who during a calendar year becomes ineligible to file on paper based on the criteria listed in subsection (a) of this section must file electronically beginning on the date on which the next report is due under §305.007 of the Government Code.

(e) For purposes of this section, "lobby expenditure" means expenditures required to be reported under Chapter 305 of the Government Code and this chapter.

(f) For purposes of this section, a "report" includes any document required to be filed by a registrant under Chapter 305 of the Government Code and this chapter except that it does not include notices and statements required to be filed under §305.028 of the Government Code.

(g) For purposes of this section, a "report" includes the confidential social security information required to be filed by a lobbyist in compliance with §231.302(c)(1) of the Family Code.

CHAPTER 40. FINANCIAL DISCLOSURE FOR PUBLIC OFFICERS

§40.1. Financial Statement

(a) The Texas Ethics Commission adopts by reference the financial statement form prescribed by the commission on January 13, 1992. This form is available from the Texas Ethics Commission, P.O. Box 12070, Austin, Texas 78711-2070.

(b) The form adopted under subsection (a) of this section may be revised by the executive director under §18.1 of this title (relating to Adoption and Revision of Forms), and if so revised shall be deemed to have been adopted by the commission under this section.

§40.2. Disclosure of Financial Activity

For purposes of §572.023 of the Government Code, a filer's personal financial statement must include:

(1) the filer's financial activity in which the filer held an ownership interest, including but not limited to community property; and

(2) the financial activity of the filer's spouse and dependent children if the filer exercised or held the right to exercise any degree of legal or factual control over the activity, notwithstanding a partition agreement.

§40.11. Publicly Traded Corporation as Source of Income over $500

For purposes of §572.023(b)(4), Government Code, a publicly traded corporation is identified as a source of income by disclosing its full name in addition to the category of the amount of income.

CHAPTER 45. CONFLICTS OF INTEREST

§45.1. Application

This chapter applies to §2152.064 and §2155.003 of the Government Code.

§45.3. Definitions

(a) Section 2155.003 of the Government Code applies to:

(1) the chief clerk; and

(2) an employee who exercises discretion in connection with a contract, payment, claim, or other pecuniary transaction under the comptroller's purchasing authority.

(b) Under §2155.003 of the Government Code the following words and terms shall have the following meanings:

(1) “Chief clerk” and “employee” includes the spouse or dependent child of the chief clerk or employee.

(2) “Have an interest in” or “in any manner be connected with,” is limited to the purchasing authority that was transferred to the comptroller by §2151.004 of the Government Code, and means a right, share, equitable or legal claim to, or pecuniary interest in, a contract or bid.

(3) “Value,” “reward,” and “compensation” includes anything with a monetary value of $5 or more.

(c) Section 2155.003 of the Government Code does not apply to the ownership of stock the value of which does not exceed the lesser of $25,000 or 5% in any one company, or ownership of shares in a publicly traded mutual fund or similar investment vehicle in which the person does not exercise any discretion regarding the investment of the assets of the fund or other investment vehicle.

§45.5. Definitions

(a) Section 2152.064 of the Government Code applies to:

(1) a commission member and appointee; and

(2) to an employee who exercises discretion in connection with a contract, payment, claim, or other pecuniary transaction under §2152.064 of the Government Code, or in connection with state surplus or salvage property.

(b) Under §2152.064 of the Government Code the following words and terms shall have the following meanings:

(1) “Commission member,” “appointee,” and “employee” includes the spouse or dependent child of a commission member, appointee, or employee.

(2) "Have an interest in" or "in any manner be connected with," means a right, share, equitable or legal claim to, or pecuniary interest in, a contract or bid, or a recipient of state surplus or salvage property under control of the commission.

(3) "Value," "reward," and "compensation" includes anything with a monetary value of $5 or more.

(c) Section 2152.064 of the Government Code does not apply to the ownership of stock the value of which does not exceed the lesser of $25,000 or 5% in any one company, or ownership of shares in a publicly traded mutual fund or similar investment vehicle in which the person does not exercise any discretion regarding the investment of the assets of the fund or other investment vehicle.

§45.7. Rebates

(a) The term "rebate" includes a discount, return, or refund of money.

(b) The chief clerk or an employee of the comptroller is not prohibited from accepting a rebate that is offered or given on the same terms to all state employees or to the general public.

§45.9. Rebates

(a) The term "rebate" includes a discount, return, or refund of money.

(b) An employee, appointee, or commission member of the Texas Facilities Commission is not prohibited from accepting a rebate that is offered or given on the same terms to all state employees or to the general public.

CHAPTER 46. DISCLOSURE OF INTERESTED PARTIES

§46.1. Application

(a) This chapter applies to §2252.908 of the Government Code.

(b) Section 2252.908 of the Government Code applies only to a contract of a governmental entity or state agency entered into after December 31, 2015, that meets either of the following conditions:

(1) the contract requires an action or vote by the governing body of the entity or agency; or

(2) The value of the contract is at least $1 million.

(c) A contract does not require an action or vote by the governing body of a governmental entity or state agency if:

(1) The governing body has legal authority to delegate to its staff the authority to execute the contract;

(2) The governing body has delegated to its staff the authority to execute the contract; and

(3) The governing body does not participate in the selection of the business entity with which the contract is entered into.

§46.3. Definitions

(a) "Contract" means a contract between a governmental entity or state agency and a business entity at the time it is voted on by the governing body or at the time it binds the governmental entity or state agency, whichever is earlier, and includes an amended, extended, or renewed contract.

(b) "Business entity" includes an entity through which business is conducted with a governmental entity or state agency, regardless of whether the entity is a for-profit or nonprofit entity. The term does not include a governmental entity or state agency.

(c) "Controlling interest" means:

(1) an ownership interest or participating interest in a business entity by virtue of units, percentage, shares, stock, or otherwise that exceeds 10 percent;

(2) membership on the board of directors or other governing body of a business entity of which the board or other governing body is composed of not more than 10 members; or

(3) service as an officer of a business entity that has four or fewer officers, or service as one of the four officers most highly compensated by a business entity that has more than four officers. This paragraph does not apply to an officer of a publicly held business entity or its wholly owned subsidiaries.

(d) “Interested party” means:

(1) a person who has a controlling interest in a business entity with whom a governmental entity or state agency contracts; or

(2) an intermediary.

(e) “Intermediary,” for purposes of this rule, means, a person who actively participates in the facilitation of the contract or negotiating the contract, including a broker, adviser, attorney, or representative of or agent for the business entity who:

(1) receives compensation from the business entity for the person’s participation;

(2) communicates directly with the governmental entity or state agency on behalf of the business entity regarding the contract; and

(3) is not an employee of the business entity or of an entity with a controlling interest in the business entity.

(f) “Signed” includes any symbol executed or adopted by a person with present intention to authenticate a writing, including an electronic signature.

(g) "Value" of a contract is based on the amount of consideration received or to be received by the business entity from the governmental entity or state agency under the contract.

§46.4. Changes to Contracts

(a) Section 2252.908 of the Government Code does not apply to a change made to an existing contract, including an amendment, change order, or extension of a contract, except as provided by subsections (b) or (c) of this section.

(b) Section 2252.908 of the Government Code applies to a change made to an existing contract, including an amendment, change order, or extension of a contract, if a disclosure of interested parties form was not filed for the existing contract; and either:

(1) the changed contract requires an action or vote by the governing body of the entity or agency; or

(2) the value of the changed contract is at least $1 million.

(c) Section 2252.908 of the Government Code applies to a change made to an existing contract, including an amendment, change order, or extension of a contract, if the business entity submitted a disclosure of interested parties form to the governmental entity or state agency that is a party to the existing contract; and either:

(1) there is a change to the disclosure of interested parties; or

(2) the changed contract requires an action or vote by the governing body of the entity or agency; or

(3) the value of the changed contract is at least $1 million greater than the value of the existing contract.

§46.5. Disclosure of Interested Parties Form

(a) A disclosure of interested parties form required by §2252.908 of the Government Code must be filed on an electronic form prescribed by the commission that contains the following:

(1) The name of the business entity filing the form and the city, state, and country of the business entity's place of business;

(2) The name of the governmental entity or state agency that is a party to the contract for which the form is being filed;

(3) The name of each interested party and the city, state, and country of the place of business of each interested party;

(4) The identification number used by the governmental entity or state agency to track or identify the contract for which the form is being filed and a short description of the services, goods, or other property used by the governmental entity or state agency provided under the contract; and

(5) An indication of whether each interested party has a controlling interest in the business entity, is an intermediary in the contract for which the disclosure is being filed, or both.

(b) The certification of filing and the completed disclosure of interested parties form generated by the commission's electronic filing application must be printed, signed by an authorized agency of the contracting business entity, and submitted to the governmental entity or state agency that is the party to the contract for which the form is being filed.

(c) A governmental entity or state agency that receives a completed disclosure of interested parties form and certification of filing shall notify the commission, in an electronic format prescribed by the commission, of the receipt of those documents not later than the 30th day after the date the governmental entity or state agency receives the disclosure.

(d) The commission shall make each disclosure of interested parties form filed with the commission under §2252.908(f) of the Government Code available to the public on the commission's Internet website not later than the seventh business day after the date the commission receives the notice required under subsection (c) of this section.

CHAPTER 50. LEGISLATIVE SALARIES AND PER DIEM

§50.1. Legislative Per Diem

(a) The legislative per diem is $221. The per diem is intended to be paid to each member of the legislature and the lieutenant governor for each day during the regular session and for each day during any special session.

(b) If necessary, this rule shall be applied retroactively to ensure payment of the $221 per diem for 2019.