

PROCLAMATION
BY THE
Governor of the State of Texas
41-3261

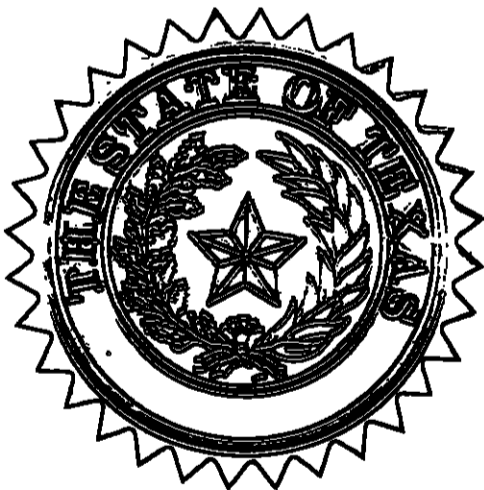
TO ALL TO WHOM THESE PRESENTS SHALL COME:

Pursuant to Article IV, Section 14, of the Texas Constitution, I, Rick Perry, Governor of Texas, do hereby disapprove of and veto House Bill No. 1616 as passed by the Eighty-Second Texas Legislature, Regular Session, because of the following objections:

Although House Bill 1616 contains several commonsense changes to Texas' campaign finance reporting statutes, an amendment added late in the process would inadvertently cripple the Texas Ethics Commission's authority to enforce compliance with state campaign finance laws.

The amendment's author requested a veto of House Bill 1616. I urge the Texas Legislature to closely examine our system of campaign finance reporting during the Ethics Commission's upcoming Sunset Commission review and craft legislation that will continue and improve our state's 20-year history of open, honest and efficient campaign finance reporting.

Since the Eighty-Second Texas Legislature, Regular Session, by its adjournment has prevented the return of this bill, I am filing these objections in the office of the Secretary of State and giving notice thereof by this public proclamation according to the aforementioned constitutional provision.



IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 17th day of June, 2011.

Rick Perry
RICK PERRY
Governor of Texas

ATTESTED BY:

Esperanza Andrade
ESPERANZA "HOPE" ANDRADE
Secretary of State

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4:00 pm O'CLOCK
JUN 17 2011

1 AN ACT

2 relating to the reporting of political contributions, political
3 expenditures, and personal financial information, and to
4 complaints filed with the Texas Ethics Commission.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 254.031(a), Election Code, is amended to
7 read as follows:

8 (a) Except as otherwise provided by this chapter, each
9 report filed under this chapter must include:

10 (1) the amount of political contributions from each
11 person that in the aggregate exceed \$50 and that are accepted during
12 the reporting period by the person or committee required to file a
13 report under this chapter, the full name and address of the person
14 making the contributions, and the dates of the contributions;

15 (2) the amount of loans that are made during the
16 reporting period for campaign or officeholder purposes to the
17 person or committee required to file the report and that in the
18 aggregate exceed \$50, the dates the loans are made, the interest
19 rate, the maturity date, the type of collateral for the loans, if
20 any, the full name and address of the person or financial
21 institution making the loans, the full name and address, principal
22 occupation, and name of the employer of each guarantor of the loans,
23 the amount of the loans guaranteed by each guarantor, and the
24 aggregate principal amount of all outstanding loans as of the last

1 day of the reporting period;

2 (3) the amount of political expenditures that in the
3 aggregate exceed \$100 [~~\$50~~] and that are made during the reporting
4 period, the full name and address of the persons to whom the
5 expenditures are made, and the dates and purposes of the
6 expenditures;

7 (4) the amount of each payment made during the
8 reporting period from a political contribution if the payment is
9 not a political expenditure, the full name and address of the person
10 to whom the payment is made, and the date and purpose of the
11 payment;

12 (5) the total amount or a specific listing of the
13 political contributions of \$50 or less accepted and the total
14 amount or a specific listing of the political expenditures of \$100
15 [~~\$50~~] or less made during the reporting period;

16 (6) the total amount of all political contributions
17 accepted and the total amount of all political expenditures made
18 during the reporting period;

19 (7) the name of each candidate or officeholder who
20 benefits from a direct campaign expenditure made during the
21 reporting period by the person or committee required to file the
22 report, and the office sought or held, excluding a direct campaign
23 expenditure that is made by the principal political committee of a
24 political party on behalf of a slate of two or more nominees of that
25 party; [~~and~~]

26 (8) as of the last day of a reporting period for which
27 the person is required to file a report, the total amount of

1 political contributions accepted, including interest or other
2 income on those contributions, maintained in one or more accounts
3 in which political contributions are deposited as of the last day of
4 the reporting period;

5 (9) any credit, interest, rebate, refund,
6 reimbursement, or return of a deposit fee resulting from the use of
7 a political contribution or an asset purchased with a political
8 contribution received during the reporting period and the amount of
9 which exceeds \$100;

10 (10) any proceeds of the sale of an asset purchased
11 with a political contribution received during the reporting period
12 and the amount of which exceeds \$100;

13 (11) any investment purchased with a political
14 contribution received during the reporting period and the amount of
15 which exceeds \$100;

16 (12) any other gain from a political contribution
17 received during the reporting period and the amount of which
18 exceeds \$100; and

19 (13) the full name and address of each person from whom
20 an amount described by Subdivision (9), (10), (11), or (12) is
21 received, the date the amount is received, and the purpose for which
22 the amount is received.

23 SECTION 2. Subchapter B, Chapter 254, Election Code, is
24 amended by adding Section 254.0405 to read as follows:

25 Sec. 254.0405. AMENDMENT OF FILED REPORT. (a) A person who
26 files a semiannual report under this chapter may amend the report.

27 (b) A semiannual report that is amended before the eighth

1 day after the date the original report was filed is considered to
2 have been filed on the date on which the original report was filed.

3 (c) A semiannual report that is amended on or after the
4 eighth day after the original report was filed is considered to have
5 been filed on the date on which the original report was filed if:

6 (1) the amendment is made before any complaint is
7 filed with regard to the subject of the amendment; and

8 (2) the original report was made in good faith and
9 without an intent to mislead or to misrepresent the information
10 contained in the report.

11 SECTION 3. Subchapter B, Chapter 254, Election Code, is
12 amended by adding Section 254.0406 to read as follows:

13 Sec. 254.0406. CORRECTION OF FILED REPORT. A person who
14 files a report under this chapter may correct the report if:

15 (1) the correction is made not later than the 14th
16 business day after the person receives written notice of a
17 complaint filed with the commission with regard to the report; and

18 (2) the original report was made in good faith and
19 without an intent to mislead or to misrepresent the information
20 contained in the report.

21 SECTION 4. Section 254.041, Election Code, is amended by
22 adding Subsection (d) to read as follows:

23 (d) It is an exception to the application of Subsection
24 (a)(3) that:

25 (1) the information was required to be included in a
26 semiannual report; and

27 (2) the person amended the report within the time

1 prescribed by Section 254.0405(b) or under the circumstances
2 described by Section 254.0405(c).

3 SECTION 5. Section 571.122, Government Code, is amended by
4 adding Subsection (e) to read as follows:

5 (e) It is not a valid basis of a complaint to allege that a
6 report required under Chapter 254, Election Code, contains the
7 improper name or address of a person from whom a political
8 contribution was received if the name or address in the report is
9 the same as the name or address that appears on the check for the
10 political contribution.

11 SECTION 6. Subchapter E, Chapter 571, Government Code, is
12 amended by adding Section 571.1222 to read as follows:

13 Sec. 571.1222. DISMISSAL OF COMPLAINT CHALLENGING CERTAIN
14 INFORMATION IN POLITICAL REPORT. At any stage of a proceeding under
15 this subchapter, the commission shall dismiss a complaint to the
16 extent the complaint alleges that a report required under Chapter
17 254, Election Code, contains the improper name or address of a
18 person from whom a political contribution was received if the name
19 or address in the report is the same as the name or address that
20 appears on the check for the political contribution.

21 SECTION 7. Subchapter E, Chapter 571, Government Code, is
22 amended by adding Section 571.1223 to read as follows:

23 Sec. 571.1223. DISMISSAL OF COMPLAINT AFTER CORRECTION OF
24 POLITICAL REPORT. If, not later than the 14th business day after a
25 person receives written notice of a complaint alleging that the
26 person failed to properly file a report required under Chapter 254,
27 Election Code, the person corrects the report that is the basis of

1 the complaint, the commission shall dismiss the complaint, provided
2 that the original report was made in good faith and without an
3 intent to mislead or to misrepresent the information contained in
4 the report.

5 SECTION 8. Section 571.123(b), Government Code, is amended
6 to read as follows:

7 (b) After a complaint is filed, the commission shall
8 immediately attempt to contact and notify the respondent of the
9 complaint by telephone or electronic mail. Not later than the
10 fifth business day after the date a complaint is filed, the
11 commission shall send written notice to the complainant and the
12 respondent. The written notice to the complainant and the
13 respondent must:

14 (1) state whether the complaint complies with the form
15 requirements of Section 571.122;

16 (2) if the respondent is a candidate or officeholder,
17 state the procedure by which the respondent may designate an agent
18 with whom commission staff may discuss the complaint; [and]

19 (3) [~~2~~] if applicable, include the information
20 required by Section 571.124(e); and

21 (4) if applicable, state that the respondent has 14
22 business days to correct the report that is the basis of the
23 complaint, as provided by Section 254.0406, Election Code.

24 SECTION 9. Subchapter E, Chapter 571, Government Code, is
25 amended by adding Section 571.1231 to read as follows:

26 Sec. 571.1231. DESIGNATION OF AGENT BY CERTAIN RESPONDENTS.

27 (a) This section applies only to a respondent who is a candidate or

1 officeholder.

2 (b) A respondent to a complaint filed against the respondent
3 may by writing submitted to the commission designate an agent with
4 whom the commission staff may communicate regarding the complaint.

5 (c) For purposes of this subchapter, including Section
6 571.140, communications with the respondent's agent designated
7 under this section are considered communications with the
8 respondent.

9 SECTION 10. Section 571.124, Government Code, is amended by
10 amending Subsection (a) and adding Subsection (g) to read as
11 follows:

12 (a) Except as provided by Subsection (g), the [The]
13 commission staff shall promptly conduct a preliminary review on
14 receipt of a written complaint that is in compliance with the form
15 requirements of Section 571.122.

16 (g) The commission may not conduct a preliminary review of a
17 complaint alleging that a person failed to properly file a report
18 required under Chapter 254, Election Code, until the period for
19 correcting the report has expired as provided by Section 254.0406,
20 Election Code.

21 SECTION 11. Section 159.003(b), Local Government Code, is
22 amended to read as follows:

23 (b) The statement must:

24 (1) be filed with the county clerk of the county in
25 which the officer, justice, or candidate resides; and

26 (2) comply with Sections 572.022 and 572.023,
27 Government Code, and with any order of the commissioners court of

1 the county requiring additional disclosures.

2 SECTION 12. Section 254.031(a), Election Code, as amended
3 by this Act, applies only to a report under Chapter 254, Election
4 Code, that is required to be filed on or after the effective date of
5 this Act. A report under Chapter 254, Election Code, that is
6 required to be filed before the effective date of this Act is
7 governed by the law in effect on the date the report is required to
8 be filed, and the former law is continued in effect for that
9 purpose.

10 SECTION 13. Section 254.041, Election Code, as amended by
11 this Act, applies only to an offense committed on or after the
12 effective date of this Act. For purposes of this section, an
13 offense is committed before the effective date of this Act if any
14 element of the offense occurs before the effective date. An offense
15 committed before the effective date of this Act is covered by the
16 law in effect when the offense was committed, and the former law is
17 continued in effect for that purpose.

18 SECTION 14. This Act takes effect September 1, 2011.

David Newkum

President of the Senate

Joe Straus

Speaker of the House

I certify that H.B. No. 1616 was passed by the House on May 5, 2011, by the following vote: Yeas 141, Nays 3, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 1616 on May 28, 2011, by the following vote: Yeas 144, Nays 4, 2 present, not voting.

Robert Honey

Chief Clerk of the House

I certify that H.B. No. 1616 was passed by the Senate, with amendments, on May 23, 2011, by the following vote: Yeas 30, Nays 0.

Ratsy Spaw

Secretary of the Senate

APPROVED: _____

Date

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4:00pm O'CLOCK

JUN 17 2011
Spaw
Secretary of State