

## **BILL ANALYSIS**

Senate Research Center  
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C.S.H.B. 2525  
By: Smith, Todd (Wentworth)  
State Affairs  
5/22/2009  
Committee Report (Substituted)

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

C.S.H.B. 2525 relates to political expenditures made by a corporation or labor organization to finance the establishment and administration of a political committee.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

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

(a) Authorizes a corporation, in addition to any other expenditure that is considered permissible under this section, to make an expenditure for the maintenance and operation of a general-purpose committee, including certain expenditures.

(c) Authorizes a labor organization to engage in activity authorized for a corporation by this section, rather than Subsections (a) and (b) (relating to authorizing a corporation to make political expenditures to finance the solicitation of political contributions).

(d) Prohibits a corporation or labor organization from making expenditures under this section for political consulting to support or oppose a candidate; telephoning or telephone banks to communicate with the public; brochures and direct mail supporting or opposing a candidate; partisan voter registration and get-out-the-vote drives; political fund-raising other than from its stockholders or members, as applicable, or the families of its stockholders or members; voter identification efforts, voter lists, or voter databases that include persons other than its stockholders or members, as applicable, or the families of its stockholders or members; polling designed to support or oppose a candidate other than of its stockholders or members, as applicable, or the families of its stockholders or members; or recruiting candidates.

(e) Provides that Subsection (d) does not apply to a corporation or labor organization making an expenditure to communicate with its stockholders or members, as applicable, or with the families of its stockholders or members as provided by Section 253.098 (Communication with Stockholders or Members).

SECTION 2. Makes application of Section 253.100, Election Code, as amended by this Act, prospective.

SECTION 3. Effective date: upon passage or September 1, 2009.