



TEXAS

CAMPAIGN FINANCE & Ballot Measure Guide

What's New in this Guide:

- Updates to monetary thresholds throughout the code
- Additional information regarding virtual currency (crypto) contributions

**These resources are current as of
01/01/2024.**

Table of Contents

CONTRIBUTION LIMITS & SOURCE RESTRICTIONS

1 Aggregate Limits

1 Restrictions on Contributions

Cash Contributions

Legislative Session

Judicial Elections

State Capitol

Union and Corporate Ban

In-kind Contributions

False Name

2 Corporate Contributions

COMMUNICATIONS

6 Issue Advocacy vs. Express Advocacy

6 Member Communications

6 Electioneering Communications

6 Disclaimers

Political Advertising

Legislative Advertising

COORDINATION

REGISTRATION & REPORTING REQUIREMENTS

10 General Purpose PACs (GPACs)

10 Specific Purpose PACs (SPACs)

10 State PACs

12 Out-of-State PACs

13 Texas PAC Administration

14 Termination

ENFORCEMENT & PENALTIES

BALLOT MEASURES

CONTACT INFORMATION

16 State & Local Agencies





This guide summarizes key aspects of laws and regulations governing campaign finance on the state level. The laws discussed in this publication apply to election activities involving ballot measures and candidates for statewide office. This guide is not intended to provide legal advice or to serve as a substitute for legal advice.

In some jurisdictions, city and/or county regulations may also apply to political activities. These regulations are not discussed in this guide, so check with all appropriate jurisdictions before engaging in any election-related advocacy or activities.

Contribution Limits & Source Restrictions

	To Candidates					To Committees		To Ballot Measures
From:	Governor	Other Statewide	Legislative	Municipal	Judicial	PACs	Parties	
Individuals	None	None*	None	**	Yes*	None	None	None
PACs	None	None*	None	**	No*	None	None	None
Corporations***	⊘	⊘	⊘	⊘	⊘	Ballot Measure PACs only. Tax Code lobbying limits may apply.	⊘	Permitted. <small>No Limit under state law, but tax code lobbying limits may apply.</small>

*Contribution limits apply to candidates for judicial office (and any specific-purpose committee that support those candidates), in the following amounts (aggregate per individual, per election cycle): \$5,000 for statewide judicial office; \$1,000 for judicial districts with population less than 250,000; \$2,500 for judicial districts with population from 250,000 to one million; and \$5,000 for judicial districts with populations greater than one million. There are no contribution limits to judicial candidates made by general purpose committees. The individual contribution and expenditure limits on judicial elections mentioned above apply to the combined primary and general elections in an election cycle if the candidate is unopposed in the primary or does not have a general election opponent. Law firms, including all related persons and the firm's PAC, may contribute up to \$30,000 to a statewide judicial candidate per election, and up to six times the applicable contribution limit for other judicial district races as specified above. ([Tex. Elect. Code §§ 253.155, 253.157, 253.1621](#)). The Texas Ethics Commission has held that this contribution limit on judicial races applies broadly to all political contributions and may not be exceeded by contributing both to the judicial campaign and to a sitting judge as an officeholder contribution. [Tex. Ethics Op. 583](#).

**Several cities (including Austin, Dallas, Houston, and San Antonio) have adopted contribution limits by local ordinance or charter. See section on Contact Information for State and Local Agencies, below. No statewide laws apply contribution limits to municipal elections. Counties have no authority to adopt contribution limits.

***See discussion below about different rules applicable to different types of corporate entities. Stricter rules apply to business and nonprofit corporations. Business corporations may contribute to political parties only for certain activities, including normal overhead, administrative and operating costs of the party, and the costs of a primary election or convention. ([Tex. Elect. Code §§ 253.104, 257.002](#)).

AGGREGATE LIMITS

- There are no aggregate limits for individuals, other than for judicial candidates (discussed above) and cash contributions (discussed below).

RESTRICTIONS ON CONTRIBUTIONS

- **Cash Contributions:** Cash contributions made to a candidate, officeholder, or **specific-purpose committee** (“SPAC”) from a single individual exceeding an aggregate \$100 per election cycle are prohibited. ([Tex. Elect. Code §253.033](#)).
- **Legislative Session:** Contributions made to a statewide officeholder, a member of the legislature, or a specific-purpose committee for supporting, opposing, or assisting a statewide officeholder or member of the legislature, are prohibited during the period

starting 30 days before the start of a regular biennial legislative session (early December of even numbered year), until twenty days after adjournment (June of odd numbered year). ([Tex. Elect. Code § 253.034](#)).

- While members of a legislative caucus may contribute to their respective caucuses without limitation, a person who is not a member of the caucus may not contribute to a caucus during the period starting 30 days before the start of the biennial legislative session until twenty days after adjournment. ([Tex. Elect. Code § 253.0341](#)).
- Note that both statutes above refer to restrictions during the regular legislative session. There is no mention of similar restrictions on contributions during special sessions of the legislature called by the Texas Governor.
- **Judicial Elections:** In judicial elections, the campaign period for accepting contributions generally begins 210 days before a filing deadline (typically June of odd numbered year) and extends 120 days after either a primary election (March of even numbered year) or a contested general election (November of even numbered year). Exceptions may apply. ([Tex. Elect. Code §253.153](#)).
 - Members of a law firm and their families are restricted in some cases from contributing to judicial candidates after the firm and all members have contributed a certain amount. ([TEX. Elect. Code § 253.157](#)).
- **State Capitol:** Contributions are prohibited in the Texas State Capitol and courthouses. ([TEX. Elect. Code § 253.039](#)). Courthouses include any buildings owned or leased by the state, a county, or a municipality in which a judge conducts court proceedings.
- **In-Kind Contributions:** In-kind contributions must be evaluated at fair market value and reported by a candidate or officeholder as contributions unless they are \$110 or less in value and can then be aggregated for reporting purposes. ([1 Tex. Admin. Code §§ 20.51, 20.52](#)). The Commission has also ruled that virtual currency (crypto) contributions are considered in-kind contributions and in reporting them, a candidate/officeholder or PAC must report a gain from the sale of the virtual currency if the gain exceeds \$140. Additionally, upon receipt of a virtual currency contribution, the candidate/officeholder/PAC must value it at its fair market value upon time of receipt. ([1 Tex. Admin. Code § 22.37](#)).
- **False Name:** A person may not knowingly make a political contribution in the name or on the behalf of another individual unless that person discloses his or her name and address in writing to both the recipient of the contribution and the person on whose behalf the contribution is being made. ([TEX. Elect. Code § 253.001](#)).

CORPORATE ACTIVITY IN ELECTIONS

Unions and corporations (including nonprofits) are prohibited from making political contributions to a candidate or officeholder. They are also prohibited from making political contributions in connection with a recall election. This includes the circulation and submission of a petition to call an election. A corporation may make contributions on a ballot measure election only to a PAC that exclusively supports or opposes measures. ([TEX. Elect. Code § 253.094](#), [TEX. Elect. Code § 253.096](#)).

- The definition of a corporation includes all incorporated nonprofits, for-profits, LLCs with at least one corporate partner/owner, and corporate entities.

CONTRIBUTION LIMITS & SOURCE RESTRICTIONS

- The only corporate structures that are not covered in the ban on contributions are unincorporated associations and partnerships/LLCs of individuals where there are no corporate partners. (**TEX. Elect. Code § 253.091**).
- As such, unincorporated associations, partnerships of individuals, and LLCs of individuals are not prohibited from making political contributions directly from company accounts to political candidates.
- Corporations or unions may make expenditures to finance nonpartisan voter registration and get-out-the-vote campaigns. They may also create informational websites about candidates in election years so long as the website does not support or oppose any candidates. (**Texas Ethics Advisory Opinion 327**).

Corporate PACs

For-profit and nonprofit entities may individually create, sponsor, and administer a PAC, and may also join with other corporations to form a PAC. Funding sources for the PAC can include corporate dollars directly from the corporation(s) forming the PAC as well as individual contributions from shareholders or members (and their families) as well as corporate employees. (**TEX. Elect. Code § 253.100**).

However, only individual, non-corporate PAC contributions may be used to make donations to political candidates. While a corporation may contribute corporate dollars to a political party, a PAC may not accept corporate contributions and then send those corporate dollars to a political party. (**TEX. Elect. Code § 253.104; Texas Ethics Advisory Opinion 527**).

Corporate PAC dollars may only be used for the following purposes:

- 1) Maintenance and operation of the PAC (office supplies & equipment, legal fees, management, and administration of the PAC).
- 2) Fundraising efforts for the PAC from the “solicitable class” (i.e. stockholders/members and employees of the corporation, as well as families of stockholders/member and employees. (**Tex. Elect. Code § 253.100(b)**)).
 - No other persons may be solicited to contribute to the PAC using corporate money. (**TEX. Elect. Code § 253.100**).
- 3) To make direct campaign expenditures (see below).

Independent Expenditures (“Direct Campaign Expenditures”)

There is no statutory definition of “independent expenditure.” However, the statute does include the term “direct campaign expenditure,” which is defined as “a campaign expenditure that does not constitute a campaign contribution by the person making the expenditure.”

Independent Expenditure Reporting Requirements

- Corporations and labor organizations are prohibited from making political contributions. (**TEX. Elect. Code § 253.094**). They may make unlimited direct campaign expenditures (i.e. independent expenditures) from corporate dollars but are subject to **reporting requirements** for any direct campaign expenditures over \$160. (**1 TEX. Admin. Code §§ 20.1(5)**)

Independent Expenditure Reporting Requirements (continued)

and [22.6](#))

- The entity is not, however, required to file a campaign treasurer appointment form ([Form GTA](#)). These entities are also not required to file disclosure reports if their expenditure(s) are disclosed elsewhere. ([TEX. Elect. Code § 254.261](#)).
- Direct campaign expenditures under \$160 are not reportable by law. ([TEX. Elect. Code § 254.261](#)).
- PACs report direct campaign expenditures (i.e. independent expenditures) on their contribution and expenditure reports for the applicable period. ([TEX. Elect. Code §§ 254.031, 254.151](#)).
- A General Purpose PAC (“GPAC”) must also notify a candidate or officeholder if it accepts political contributions or makes political expenditures on behalf of the candidate or officeholder. ([TEX. Elect. Code § 254.161](#); [1 TEX. Admin. Code § 20.421](#)).

However, these direct campaign expenditures must be made independently without coordinating with any other person, including other corporations and candidates whom the expenditure would support or oppose. ([TEX. Elect. Code § 254.261](#)).

The Texas Ethics Commission (“TEC”) by rule states that evidence of coordination includes meeting with candidates regarding campaign communications and events, sharing polling data and mailing lists, and exchanging drafts or final proofs of political advertising. Note that the coordination prohibition is not exclusive to working with candidates – it applies to coordinated activity between any two people. ([1 TEX. Admin. Code § 22.6](#)).

The current exceptions to the prohibition on coordination include Direct Campaign Expenditure-Only PACs (Texas’ name for Super PACs) and Hybrid PACs, both of which allow corporations to pool money together to make direct campaign expenditures.

Direct Campaign Expenditure-Only PACs (DCE-Only PAC)

To operate as a DCE-Only PAC, the committee must file an affidavit with the Ethics Commission that states the intent to accept corporate contributions and that the PAC will not make direct contributions from that corporate money to candidates and officeholders as well as contributions to any PACs that do make contributions to candidates and officeholders. ([1 TEX. Admin. Code § 22.5](#)).

DCE-Only PACs may not accept any corporate contributions prior to filing with the commission.

After filing with the Commission, DCE-Only PACs may accept unlimited corporate contributions from outside sources and use the same contributions to make unlimited direct campaign expenditures in any race.

Hybrid PACs

These PACs were created by statute in 2019 and allow General Purpose PACs (GPACs) to set up a

CONTRIBUTION LIMITS & SOURCE RESTRICTIONS

separate corporate bank account and operate as both a GPAC that can give contributions to candidates as well as a DCE-Only PAC, which collects corporate resources from others and makes direct campaign expenditures. (**TEX. Elect. Code § 253.003(a)(4)**, **1 TEX. Admin. Code § 22.35**).

Social Welfare Organization Activity - 501(c)(4)s

Instead of filing as a DCE-Only PAC some groups have instead set up 501(c)(4) social welfare organizations. Federal tax law allows unlimited lobbying activity for 501(c)(4)s and a significant amount of political activity as long as the activity is not the primary purpose of the organization. An organization's "primary purpose" is not explicitly defined in Federal tax law, but practitioners can find more information on the Federal rules for 501(c)(4) organizations in "**The Connection**," a free guide from Bolder Advocacy.

The Texas Ethics Commission states that political activity in Texas becomes an organization's "principal purpose" when the organization collects political contributions and the ratio to the total contributions into the organization is more than 25%. The same 25% threshold applies to expenditures made by the organization, and administrative expenses to collect the contributions and make the expenditures are included in the calculation. (**1 TEX. Admin. Code §20.1(20)**).

For example, if a 501(c)(4) collects a total of \$200,000 in contributions from all sources in a calendar year, no more than \$50,000 of the total \$200,000 can be from political contributions before the c4 must file with the state as a political action committee.

Likewise, if a 501(c)(4) spends a total of \$200,000 in overall expenditures throughout the year, the organization is limited to \$50,000 in political expenditures without having to file with the state as a political action committee.

Communications

Type	Components
Issue Advocacy vs. Express Advocacy	<ul style="list-style-type: none"> • Only those communications containing express advocacy (as opposed to those that contain mere general issue advocacy) are required to include the statutory disclosure information, discussed below. • TEX. Elect. Code § 255.001 establishes the disclosure requirements for political advertisements that contain “express advocacy.” The law does not define express advocacy, but does state that political advertising that is authorized by a candidate, an agent of a candidate, or a political committee filing reports under this title shall be deemed to contain express advocacy. (TEX. Elect. Code § 255.001(b)) Thus, a disclosure statement is required anytime one of the aforementioned entities authorizes a political advertisement. • For political advertisements not authorized by a candidate, a candidate’s agent, or a political committee, the disclosure requirement depends on the precise language of the communication. A political advertisement will be considered to expressly advocate for the election or defeat of an identified candidate or the passage or defeat of a measure if it includes words or phrases such as “vote for,” “elect,” “defeat,” “support,” “reject,” or “Smith for Senate.” • The relevant Texas definitions of “campaign contribution” and “campaign expenditure” both include the term “in connection with a campaign for elective office or on a measure.” (Tex. Elect. Code §§ 251.001(3), (7)). This phrase has been interpreted by both the Texas Supreme Court and the Texas Ethics Commission as being consistent with the federal interpretation of the express advocacy rule. Thus, political advertisements that explicitly support or oppose a candidate for public office or a measure must contain the required statutory disclaimer. (See below for disclosure requirements.)
Member Communications	<ul style="list-style-type: none"> • Communications of any kind (including express advocacy political communications) directly to a corporation’s stockholders or members (or to the families of the company’s stockholders or members) is not prohibited and is not reportable to the Texas Ethics Commission. (Tex. Elect. Code § 253.098(a)). • Membership communications do not require a disclaimer.
Electioneering Communications	<ul style="list-style-type: none"> • Texas regulates only express advocacy communications, with no special disclosure rules for communications made near the time of the election (often referred to as “electioneering communications”). However, some communications containing issue advocacy may be required to carry disclaimer as “legislative advertising.” (TEX. Govt. Code § 305.027) See below.

Disclaimers

“**Political Advertising**” that supports or opposes a candidate for public office or a measure (i.e. contains “**express advocacy**” – see above) must carry a statutory disclaimer. Only certain types of communications in printed, published, broadcast, or internet media constitute political advertising. (**TEX. Elect. Code § 251.001(16)**).

[1] See *Osterburg v. Peca*, 12 S. W. 3d 31 (Tex. 2000); and *In re: Ellis*, 279 S.W. 3d 1 (Tex. App. — Austin 2008, appl'n for mand. denied); *Texas Ethics Commission Ethics Advisory Opin. 198 (1994)*.

For qualifying political advertisements, the following disclaimer is required:

“Political Advertising Paid for by X”

(“X” to be full name of entity paying for the advertising). **(TEX. Elect. Code § 255.001).**

Only certain mediums of communications require disclaimers:

Type	Issue Advocacy*	Express Advocacy
Telephones	No	Yes
Internet	No	Yes
Email	No	Yes**
Television	No*	Yes
Radio	No*	Yes
Print	No*	Yes
Billboards	No*	Yes
Handbills	No*	Yes
Mail	No*	Yes

* Disclaimer or reporting would apply to some issue advocacy if it involves broadcast or printed communication supporting, opposing, or proposing legislation and it is: 1) paid for by a lobbyist (must be reported by lobbyist), or 2) published in return for consideration (must carry disclaimer). **(TEX. Govt. Code §§ 305.006(c), 305.027).** Personally produced handbills, mail, or other publications that support or oppose legislation but are **not** published in return for consideration are **not** regulated.

** Unless the email in question is sent **only** to an organization’s membership and not to anyone outside of the organization. Corporate membership communications do not require disclaimers. **(TEX. Elect. Code § 255.001).**

The following do **not** require disclaimers at any point:

- Tickets or invitations to political fundraisers
- Circulars or flyers that cost in the aggregate less than \$500 to publish and distribute
- Campaign buttons, pins, hats, or similar small campaign materials
 - Note that the commission does not specifically include yard signs in this exception. The thought process on these is anything that is too small to realistically have a disclaimer included.

Texas also requires “**legislative advertising**” to have a disclaimer. Legislative advertising is defined as a communication that supports, opposes, or proposes legislation. The following disclaimer is required:

“Legislative Advertising paid for by X on behalf of Y.”

(X being the person who actually enters into a contract with printer, publisher or broadcaster and Y being the individual or entity represented by X).

Similarly, if the person who enters into the contract is also the person distributing the advertising, the disclaimer would read:

“Legislative Advertising paid for by X.”

(Tex. Govt. Code § 305.027)

Coordination

Under the Judicial Fair Campaign Act, certain direct campaign expenditures by PACs and political parties that support a judicial candidate count against a judicial candidate's voluntary expenditure limits and the contribution limits of the person or PAC making the expenditure. ([TEX. Elect. Code §§ 253.163, 253.169, 253.170, 253.171](#)).



Registration & Reporting Requirements

Types of Texas PACs	
General Purpose PAC (GPAC):	Specific Purpose PAC (SPAC):
A GPAC is defined as a committee that supports, opposes, or assists two or more unidentified candidates or ballot measures (i.e. a committee that supports candidates who oppose gambling). (TEX. Elect. Code § 251.001(14)). A GPAC may only make contributions to other GPACs that are listed on its registration form. (TEX. Elect. Code § 253.037(b)).	An SPAC is defined as a committee that supports, opposes, or assists identified candidates seeking known office or identified ballot measures. (TEX. Elect. Code § 251.001(13)). (TEX. Elect. Code §§ 253.031(c), 252.005(1); 1 Tex. Admin. Code § 20.401).

Registration of State PACs

- All GPACs and those SPACs active in state races or statewide ballot measures are required to register with the Texas Ethics Commission. SPACs active only in municipal, county, or special district races and/or ballot measures need only file in the local jurisdiction in which they are active.
- Registration requirements are generally the same for GPACs and SPACs (collectively “PACs”); however, each entity has its own set of forms available on the Texas Ethics Commission website. PACs may also register electronically [here](#).
- Timing: Registration must occur before the PAC accepts more than \$1,050 in political contributions or makes more than \$1,050 in expenditures. It is unlawful to expend or accept more than \$1,050 without a treasurer designation on file. (**TEX. Elect. Code § 253.031**).
- A PAC must designate a treasurer, who need not be a Texas resident. (**TEX. Elect. Code § 253.031**). A PAC must also maintain a bank account or accounts segregated from non-PAC funds. (**TEX. Elect. Code § 253.040**). There is no requirement that the bank must be located in Texas.

Reporting for State PACs

- PACs, along with individuals, corporations, or labor unions spending more than \$140 (or groups of individuals spending more than \$1,050) for direct campaign expenditures during an election year must file disclosure reports on the below schedule. All disclosure reports must be filed electronically unless the disclosing entity is able to claim a statutory exemption.
- During non-election years, only semi-annual reports must be filed. **Note:** Both

REGISTRATION & REPORTING REQUIREMENTS

GPACs and SPACs may choose an alternative reporting schedule than what is listed. For more information, visit the Texas Ethics Commission's [Campaign Finance Guide for Political Committees](#).

- A PAC (including a GPAC sponsored by a nonprofit) must identify its contributors over \$110. ([TEX. Elect. Code § 254.156](#)). PACs must also report political expenditures that, in the aggregate, exceed \$220 during the reporting period. ([TEX. Elect. Code § 254.031\(a\)\(3\)](#)).
- Notwithstanding the aggregate reporting requirement above, all filers must report the date, amount and full name and address of every person that contributes any amount electronically (i.e. not by check or cash). ([TEX. Elect. Code § 254.031\(a\)\(1-a\)](#)).
- If a PAC accepts funds from outside Texas for a Texas election, it must report those political contributions in reports filed in Texas. See also reporting and filing rules for out-of-state PACS, below.

Reporting Schedule

- **Semi-Annual:** Due January 15 and July 15 of each year, regardless of whether a PAC has any activity during the reporting period. ([TEX. Elect. Code § 254.153](#); [1 TEX. Admin. Code § 20.423](#)). Semiannual reports that are amended before the eighth day after the date the original report was filed is considered to be filed on the date the original report was filed. ([TEX. Elect. Code §§ 254.0405](#)).
- **30-Day Pre-Election:** Due 30 days before an election if a PAC has activity during the reporting period. ([TEX. Elect. Code § 254.154](#); [1 TEX. Admin. Code § 20.425](#)).
- **8-Day Pre-Election:** Required if 1) a PAC was required to file a 30-day pre-election report, or 2) a PAC makes expenditures during the reporting period. The report is due 8 days before an election. ([TEX. Elect. Code § 254.154](#); [1 TEX. Admin. Code § 20.425](#)).
- **Special Pre-Election:**
 - The special pre-election period starts nine days before an election and ends at noon on the day before the election.
 - GPACs: Reports are due within 24-hours if, during the special pre-election reporting period, a GPAC: 1) receives a contribution from a person aggregating more than \$7,350 during the reporting period, or 2) makes more than \$2,150 in direct campaign expenditures supporting or opposing a single candidate, or 3) makes more than \$32,280 in direct campaign expenditures supporting or opposing a group of candidates. ([1 TEX. Admin. Code § 20.435](#)).
 - SPACs: During the special pre-election reporting period, an SPAC must report within 24-hours a contribution from a single source that totals more than \$2,150 during the reporting report. ([1 TEX. Admin. Code § 20.333](#)).

If the due date for a report falls on the weekend or a holiday, the report is due on the next regular business day.

Alternative Reporting for Certain GPACs

- GPACs with less than \$31,190 in one or more accounts in which political contributions or deposited, as of the last day of the preceding reporting period, are permitted to file reports containing the following information (in lieu of the information required under Sections 254.031(a)(1) and (5) and 254.151(6):
 - The amount of political contributions from each person that exceeds an aggregate \$190, including the date of contribution and the contributor's full name, address, and occupation; and
 - The total amount of political contributions and expenditures made during that reporting period of \$220 or less. ([TEX. Elect. Code § 254.1541](#)).
- GPACs may opt to file Monthly Reports (in lieu of the reporting schedule under Sections 254.153 and 254.154), so long as the GPAC delivers written notice of its intent to do so between January 1 and January 15 of the year in which it intends to file monthly. ([TEX. Elect. Code § 254.155](#)). To review the contents and schedule of monthly reports, view Sections 254.156 and 254.157.

Out-of-State PACs

Registration of out-of-state PACs

- An out-of-state PAC is **not** required to register as a Texas PAC, but must report its contributions or direct campaign expenditures (independent expenditures). An out-of-state PAC is defined as a committee that: 1) makes political expenditures outside Texas (including direct campaign expenditures); and 2) 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 percent or more of the committee's total political expenditures in any combination of elections outside Texas. ([Tex. Elect. Code §§ 251.001\(15\)](#), [1 Tex. Admin. Code § 20.13](#)). If 20 percent or more of an out-of-state PAC's total political expenditures are made on Texas elections, it must register as a Texas state PAC.

Reporting for out-of-state PACs

An out-of-state PAC is required to report its Texas political activity in one of two ways:

- An out-of-state PAC that files reports electronically in another jurisdiction may comply with Texas' reporting requirements by sending a letter to the Texas Ethics Commission detailing where the electronic report may be found on the website of the agency with which the out-of-state PAC is required to file its reports; or

REGISTRATION & REPORTING REQUIREMENTS

- An out-of-state PAC that does not file reports electronically in another jurisdiction may comply with Texas' reporting requirements 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. (**1 TEX. Admin. Code § 20.13**).

Out-of-state PACs active in Texas (contribution over \$1,080 to any one candidate) must submit the following to the Texas candidate or PAC receiving the contribution:

- 1) A written statement, certified by an officer of the out-of-state committee, listing the full name and address of each person who contributed more than \$220 to the out-of-state committee during the 12 months immediately preceding the contribution, or
- 2) A copy of the out-of-state PAC's statement of organization filed as required by law with the Federal Election Commission and certified by an officer of the out-of-state PAC.

*(TEX. Elect. Code §§ 253.032, 251.001(15), 251.005, and 254.1581).
See also modified submission option in (1 TEX. Admin. Code § 22.7).*

Texas PAC Administration

- An affiliated corporation or union may pay for administrative expenses of a PAC that makes candidate or political party contributions. (**TEX. Elect. Code § 253.100**).
- A corporation may solicit for contributions to the PAC from its stockholders or members and their families. (**TEX. Elect. Code § 253.098**). However, neither a corporation nor a labor union may use its own funds to contribute directly to a PAC that makes candidate contributions. Nor may corporate funds be expended to solicit persons other than members, shareholders, and their families. In addition, no union dues or other funds obtained as a condition of employment may be used to make a political contribution or political expenditure. (**TEX. Elect. Code § 253.101**).

Termination

To terminate a PAC, file a Termination Report with the Texas Ethics Commission. (**TEX. Elect. Code § 254.127**; **1 TEX. Admin. Code § 20.417**).

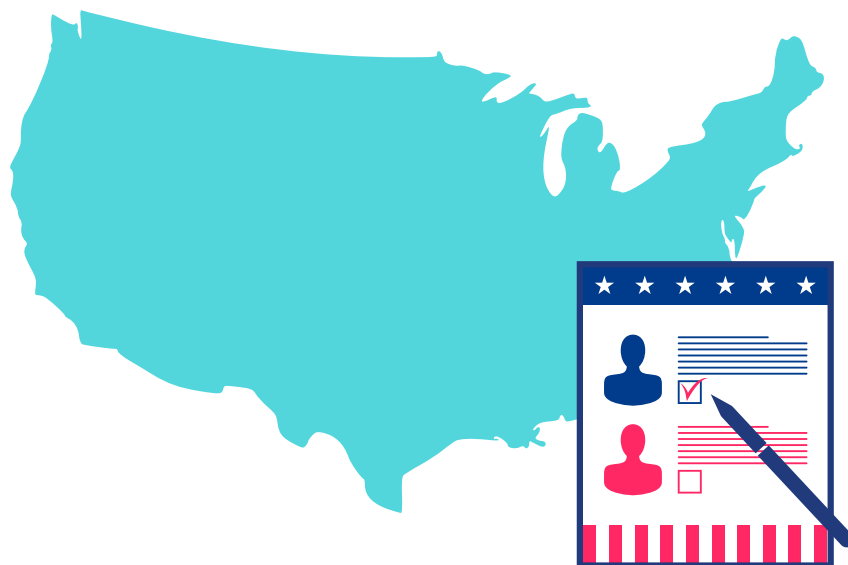
Enforcement & Penalties

- Civil enforcement is by the Texas Ethics Commission and criminal enforcement by local prosecutors (county attorney or district attorney). In almost all cases, enforcement is complaint driven. TEC's only routine enforcement is for late filed reports. TEC randomly selects PACs and candidate filers for audit and may request changes and resubmission of reports or initiate enforcement action based on the findings. ([TEX. Gov. Code § 571.069](#)).
- Most TEC civil penalties relating to reporting violations range from \$100 to \$500 per violation. Most criminal violations of Texas Election Code are Class A misdemeanors, but violation of the corporate activity ban is a third degree felony. ([TEX. Elect. Code §§ 253.094, 253.101-104](#)).
- The Texas Election Code also provides for a private civil cause of action for damages in favor of candidates, PACs, and the State if an opponent or third-party violates certain provisions of the Texas Election Code. ([TEX. Elect. Code §§ 253.131-134](#)).



Ballot Measures

- A corporation or labor union may make unlimited contributions to a ballot measure SPAC (a PAC focusing exclusively on one or more identified ballot measure) without triggering registration or reporting requirements. **(TEX. Elect. Code § 253.096).**
- Under state law, a corporation or union may make unlimited direct campaign expenditures (i.e. independent expenditures) for or against ballot measures but must report all activity that exceeds \$140. **(TEX. Elect. Code §§ 254.261).** See Direct Campaign Expenditure section above for reporting requirements. However, nonprofits should keep in mind that supporting or opposing a ballot measure qualifies as lobbying according to the tax code. As such, tax code **lobbying limits** may apply to your ballot measure advocacy.



Contact Information

Contact Information for State & Local Agencies

Texas Ethics Commission

J.R. Johnson, Executive Director
201 East 14th Street, 10th Floor
Austin, Texas 78701
<https://www.ethics.state.tx.us/>

Legal, Administrative, Executive Division

Telephone:

512-463-5800

1-800-325-8506

Fax: 512-463-5777

Disclosure Filing Fax: 512-463-8808

City of Dallas

City Code of Ordinances
Chapter 15A, Article I
"Campaign Contributions"
www.dallascityhall.com

City of Houston

City Code of Ordinances
Chapter 18, Art. IV "Limitations on Solicitations and
Contributions"
www.houstontx.gov

City of Austin

City Code of Ordinances, Chapter 2-2,
Austin Fair Campaign Chapter
City Charter, Article III, § 8 (Limits on Campaign
Contributions and Expenditures)
www.austintexas.gov/

City of San Antonio

City Code of Ordinances
Article VII, "Municipal Campaign Finance Regulations"
(Sec. 2.300-2.311)
<http://www.sanantonio.gov/>

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Need More Guidance?

Bolder Advocacy is here to help! Just call our Technical Assistance hotline at 1-866-NP-LOBBY or complete [this form](#), email us at advocacy@afj.org, or visit our website at bolderadvocacy.org. Please share this with your funders, and encourage them to reach out to us with their questions.



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