89R620 CJD-F

By: Middleton, et al.

S.B. No. 239

A BILL TO BE ENTITLED AN ACT

relating to the use by a political subdivision of public funds for lobbying and certain other activities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. Chapter 556, Government Code, is amended by adding Section 556.0056 to read as follows:

Sec. 556.0056. RESTRICTION ON USE OF PUBLIC FUNDS BY POLITICAL SUBDIVISIONS FOR LOBBYING ACTIVITIES. (a) A political subdivision may not spend public funds:

(1) to hire an individual required to register as a lobbyist under Chapter 305 for the purpose of lobbying a member of the legislature; or

(2) to pay a nonprofit state association or organization that:

(A) primarily represents political subdivisions;

<u>and</u>

- (B) hires or contracts with an individual required to register as a lobbyist under Chapter 305.
- (b) If a political subdivision engages in an activity prohibited by Subsection (a), a taxpayer or resident of the political subdivision is entitled to appropriate injunctive relief to prevent further activity prohibited by that subsection and further payment of public funds related to that activity.
- (c) A taxpayer or resident who prevails in an action under Subsection (b) is entitled to recover from the political subdivision the taxpayer's or resident's reasonable attorney's fees and costs incurred in bringing the action.

SECTION 2. Section 81.026, Local Government Code, is amended to read as follows:

Sec. 81.026. COMMISSIONERS COURT MEMBERSHIP ON ASSOCIATIONS AND NONPROFIT ORGANIZATIONS. A county judge or county commissioner may serve on the governing body of or any committee serving an association of counties created or operating pursuant to the provisions of Section 89.002, including a nonprofit state association or organization, except that the county judge or county commissioner may not spend public funds to serve on the governing body or committee or to join or otherwise become a member of the association of counties in violation of Section 556.0056, Government Code. A county judge or county commissioner may serve as a member of any board of trustees or board of directors or other governing body of any trust or other entity created pursuant to interlocal contract for the purpose of forming or administering any governmental pool, self-insurance pool, insurance pool, or any other fund or joint endeavor created for the benefit of member counties and political subdivisions. In addition, a county judge or county commissioner may serve as a member of the board of directors of any nonprofit corporation that is created and exists solely for the purpose of providing administrative or other services to such trust or other entity. A county judge or county commissioner, acting as a member of any such board or committee, may perform any act necessary or appropriate for the rendition of such service, including the casting of votes and deliberations concerning and execution of contracts or claims with or against any county. A county judge or commissioner may participate in deliberations concerning and cast any vote on any matter before the commissioners court affecting the execution of any contract with or the payment of claims, premiums, dues, or contributions to any such trust, association, nonprofit corporation, or entity or any related

matter.

SECTION 3. Section 89.002, Local Government Code, is amended to read as follows:

Sec. 89.002. STATE ASSOCIATION OF COUNTIES. (a) Except as provided by Section 556.0056, Government Code, the [The] commissioners court may spend, in the name of the county, money from the county's general fund for membership fees and dues of a nonprofit state association of counties if:

- $\hspace{1cm}$ (1) a majority of the court votes to approve membership in the association;
- (2) the association exists for the betterment of county government and the benefit of all county officials;
- (3) the association is not affiliated with a labor organization; $\underline{\text{and}}$
- (4) [neither the association nor an employee of the association directly or indirectly influences or attempts to influence the outcome of any legislation pending before the legislature, except that this subdivision does not prevent a person from providing information for a member of the legislature or appearing before a legislative committee at the request of the committee or the member of the legislature; and

 $\left[\frac{(5)}{(5)}\right]$ neither the association nor an employee of the association directly or indirectly contributes any money, services, or other valuable thing to a political campaign or endorses a candidate or group of candidates for public office.

(b) If any association or organization supported wholly or partly by payments of tax receipts from political subdivisions engages in an activity described by Subsection (a) (4) $[\frac{\text{or }(5)}{\text{or }(5)}]$, a taxpayer of a political subdivision that pays fees or dues to the association or organization is entitled to appropriate injunctive relief to prevent any further activity described by Subsection (a) (4) $[\frac{\text{or }(5)}{\text{or }(5)}]$ or any further payments of fees or dues.

SECTION 4. Section 556.0056, Government Code, as added by this Act, applies only to an expenditure or payment of public funds by a political subdivision that is made on or after the effective date of this Act, including an expenditure or payment of public funds by a political subdivision that is made under a contract entered into before, on, or after the effective date of this Act. A contract term providing for an expenditure or payment prohibited by Section 556.0056, Government Code, as added by this Act, is void on the effective date of this Act.

SECTION 5. Section 89.002, Local Government Code, as amended by this Act, applies only to the spending of money by a county from the county's general fund that occurs on or after the effective date of this Act. The spending of money by a county from the county's general fund that occurs before the effective date of this Act is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 6. This Act takes effect September 1, 2025.