TEXAS ETHICS COMMISSION

MONTHLY FILING COUNTY EXECUTIVE COMMITTEE CAMPAIGN FINANCE REPORT

FORM MCEC – INSTRUCTION GUIDE

To Report Activity Occurring on or after January 1, 2023

Revised January 1, 2023

Texas Ethics Commission, P.O. Box 12070, Austin, Texas 78711
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Promoting Public Confidence in Government.

FORM MCEC – INSTRUCTION GUIDE

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These instructions are for the MONTHLY FILING COUNTY EXECUTIVE COMMITTEE COMPAIGN FINANCE REPROT (Form MCEC). (Committees reporting under the regular filing schedule use Form CEC.) Form MCEC includes a two-sided cover sheet and Schedules A1, A2, B, E, F1, F2, F3, F4, I, J, K, and T. All filers must submit the cover sheet, but only the schedules on which there is information to report need to be included.

GENERAL INSTRUCTIONS

These general instructions apply to all forms required to be filed under title 15, Texas Election Code, for activity that occurs on or after January 1, 2023. For a report that includes activity occurring before January 1, 2023, you must use the instructions applicable before that time, which are available on the Texas Ethics Commission's website at https://www.ethics.state.tx.us/forms/ptycorp/cecfrm.php.

IMPORTANT UPDATES

Increased Disclosure Thresholds

As directed by section 571.064 of the Texas Government Code, the Commission is required to annually adjust certain reporting thresholds upward to the nearest multiple of $10 in accordance with the percentage increase for the previous year in the Consumer Price Index for Urban Consumers published by the Bureau of Labor Statistics of the United States Department of Labor.

These changes will be made effective January 1st of each calendar year; the affected numbers and corresponding new thresholds are located in 1 T.A.C. §18.31, which can be found here: https://www.ethics.state.tx.us/rules/. The higher itemization thresholds will be reflected on the paper forms and in these instructions, as applicable.

Verify that you are using the correct thresholds and forms that apply to your filing. For example, if you are filing a campaign finance report or lobby activities report that is due in January of 2021, you must use the forms and instructions that are applicable to the period ending December 31, 2020.

Contributions Made Electronically Must Be Itemized

Beginning on September 1, 2019, all political contributions that are made electronically and accepted by a filer during the reporting period must be itemized in the filer's campaign finance report. This change is made by House Bill 2586, adopted by the 86th Texas Legislature.

ELECTRONIC FILING

All persons filing campaign finance reports with the Commission are required to file those reports electronically unless the person is eligible to claim an exemption. Check the Commission's website at *https://www.ethics.state.tx.us* for more detailed information about electronic filing.

FILLING OUT THE FORMS

All reports filed on paper must be either handwritten in ink or typewritten. If you complete the report by hand, print everything other than your signature.

If you are filing with the Commission, and you are eligible to claim an exemption to electronic filing, ***you may use your own computer-generated form*** if it provides for disclosure of all the information required on the Commission's form and it is *substantially identical* in paper size, color, layout, and format. A substitute form that is substantially identical to the Commission's prescribed form must be submitted for pre-approval by the Commission's executive director.

Always file the cover sheet of the campaign finance report form. You need to file only those schedules on which you have information to report.

You must keep an exact copy of each report filed and all records necessary to complete the report for at least two (2) years after the deadline for filing the report.

If you have questions, call our office at (512) 463-5800.

TEXAS ETHICS COMMISSION GUIDES

The Commission publishes a Campaign Finance Guide for each type of filer. These guides are designed to explain your responsibilities as a filer. The Commission encourages you to read the appropriate guide *before* you begin accepting political contributions or making or authorizing political expenditures.

PHOTOCOPIES OF FORMS

You may use photocopies of Commission forms. For example, if the space provided on Schedule A1 is insufficient, you may make copies of a blank Schedule A1 form and attach more pages as needed.

FILING DATE

For most reporting deadlines, a document is considered timely filed if it is properly addressed with postage or handling charges prepaid and bears a postmark or receipt mark of a common or contract carrier indicating a time on or before the deadline.

Report Covering Month Preceding an Election. A report covering the month preceding an election in which the committee is involved must be *received* by the Commission no later than the report due date.

If you are filing with the Commission, address your reports and correspondence to the Texas Ethics Commission, P.O. Box 12070, Austin, Texas 78711-2070. For hand-deliveries, the Commission's street address is 201 E. 14th Street, Sam Houston Building, 10th Floor, Austin, Texas 78701.

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

MONTHLY FILING COUNTY EXECUTIVE COMMITTEE CAMPAIGN FINANCE REPORT

These instructions are for county executive committees using the MONTHLY FILING COUNTY EXECUTIVE COMMITTEE CAMPAIGN FINANCE REPORT (Form MCEC). (Committees reporting under the regular filing schedule use Form CEC.) A complete report includes the two-sided cover sheet and any of the following schedules on which there is information to report: Schedules A1, A2, B, E, F1, F2, F3, F4, I, J, K, and T.

GENERAL INFORMATION

Use Form MCEC for filing the following reports:

- Monthly reports (due on the 5th of the month);
- 10th day after campaign treasurer termination; and
- Final report.

See the instructions for Sections 9 and 10 of the Cover Sheet for help in deciding which reports you should file.

Do not use Form MCEC for reports filed under the regular filing schedule. Use Form CEC.

DUTIES OF CAMPAIGN TREASURER

The committee's campaign treasurer is responsible for filing this form and keeping all necessary records. Failing to file a report on time or filing an incomplete report may subject the treasurer to criminal or civil penalties.

WHERE TO FILE

The campaign treasurer of the county executive committee must file this form, and all other reporting forms and schedules, with the Commission.

COMPLETING THE COVER SHEET

Each numbered item in these instructions corresponds to the same numbered item on the form.

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1. **FILER ID**: The Commission assigned a filer identification number when the initial campaign treasurer appointment (Form CECTA) was filed. The campaign treasurer should have received a letter acknowledging receipt of the campaign treasurer appointment and showing the committee's filer identification number. Enter this number wherever you see "Filer ID."

2. **TOTAL PAGES FILED**: After you have completed the form, count the total number of pages of this form and any attached schedules. Enter that number where indicated on the top line of Page 1 only. Each side of a two-sided form counts as one page.

3. **COMMITTEE NAME**: Enter the committee's full name. Your entry here should be the same as on the committee's campaign treasurer appointment.

4. **COMMITTEE ADDRESS**: Enter the committee's complete mailing address. If the mailing address has changed since the committee last gave notice of the address, check the "Change of Address" box.

5. **CAMPAIGN TREASURER NAME**: Enter the full name of the committee's campaign treasurer.

6. **CAMPAIGN TREASURER STREET ADDRESS**: Enter the complete business or residential street address of the committee's campaign treasurer. Do not enter a P.O. Box.

7. **CAMPAIGN TREASURER MAILING ADDRESS**: Enter the complete mailing address of the committee's campaign treasurer. If the mailing address has changed since the committee last gave notice of the address, check the "Change of Address" box.

8. **CAMPAIGN TREASURER PHONE**: Enter the phone number of the campaign treasurer, including the area code and, if applicable, the extension.

9. **REPORT TYPE**: Check the box that describes the type of report you are filing, according to the descriptions below. See the instructions for Section 10 for the periods covered by each type of report.

   Monthly Report: County executive committees filing under the monthly filing schedule must file a report by the 5th of each month to cover the previous month's activities. If you are filing a monthly report, you must also complete Section 10 to indicate the reporting deadline.

   Final Report: The filing thresholds for county executive committees are annual thresholds. Therefore, a county executive committee that is required to file a campaign treasurer in one year may terminate its appointment of campaign treasurer at the end of a calendar year. The committee will have to file a new appointment of campaign treasurer if it crosses one of the $36,630 thresholds in the new calendar year.

   A county executive committee filing under the monthly filing schedule that wishes to terminate its campaign treasurer appointment at the end of a calendar year should mark both "Final Report" *and* "January 5" as the report type on the monthly report that is due by January 5. The period covered by the report should end on December 31st, rather than December 25th. Filing a final report will terminate the county executive committee's appointment of campaign treasurer.

   10th Day After Campaign Treasurer Termination Report: A county executive committee's campaign treasurer must file this report if his or her campaign treasurer appointment is terminated. This report is due no later than the 10th day after the termination occurs. If the termination takes place on the last day of a reporting period, no separate termination report is required.

Daily Pre-Election Reports (Forms Daily-C PAC and Daily-E PAC): A county executive committee filing under the monthly filing schedule may be required to file daily pre-election reports disclosing contributions or direct expenditures during the period beginning the 9th day before an election and ending at 12 noon on the day before the election. This information is disclosed on Forms Daily-C PAC and Daily-E PAC. For more information, see the instructions for Forms Daily-C PAC and Daily-E PAC.

10. **REPORT DEADLINE**: *Complete this section only if you are filing a monthly report.* Monthly reports are due on the 5th of each month. A report covering the month preceding an election in which the committee is involved must be ***received*** by the Ethics Commission no later than the report due date. Check the box with the applicable filing deadline. For example, if you are filing the monthly report due on July 5th, check the "July 5" box (even though the report covers activity that occurred during May and June).

11. **PERIOD COVERED**: A reporting period includes the start date and the end date. For monthly reports, the due date (the 5th of each month) is 10 or 11 days ***after*** the ending date of the reporting period (the 25th of the previous month). You should never leave gaps between the periods covered, and generally, you should not have an overlap of time periods. Special pre-election reports do create overlaps. Consult your campaign finance guide for further explanation regarding special pre-election reports.

First Reports: If this is the first campaign finance report that your committee has filed, the start date depends on the date the committee filed its initial campaign treasurer appointment (Form CECTA) and when it chose to file under the monthly filing schedule.

Before 25th of the Month: If your committee filed its initial campaign treasurer appointment (Form CECTA) before the 25th of the month and chose to file monthly at that time, the start date is the date the initial campaign treasurer appointment was filed. The end date is the 25th day of the same month.

Example: A county executive committee files its initial campaign treasurer appointment and chooses monthly filing on May 15. Its first monthly report is due June 5, covering the period beginning May 15 and ending May 25.

On or After 25th of the Month: If your committee filed its initial campaign treasurer appointment (Form GTA) on or after the 25th of the month, and chose to file monthly at that time, the start date is the date the initial campaign treasurer appointment was filed. The end date is the 25th day of the ***next*** month.

Example: A county executive committee files its initial campaign treasurer appointment and chooses monthly filing on May 27. Its first monthly report is due July 5, covering the period beginning May 27 and ending June 25.

Committee Changes to Monthly Filing: If your committee has been filing under the regular filing schedule, and chooses monthly filing between January 1 and January 15 of a particular year, the start date for the first monthly report (due February 5) is January 1. The end date is January 25. Note: To change to monthly filing, a general-purpose committee must deliver written notice to the Ethics Commission between January 1 and January 15..

Monthly Reports: For monthly reports other than the first monthly report, the start date is the 26th of one month or the day after the last day covered by the last required report, whichever is later. Except for a final report, the end date is the 25th of the next month.

10th Day After Campaign Treasurer Termination Report: The start date is the day after the last day covered by the last required report. If this is the committee's first report, see the "First Reports" section above. The end date is the day the termination is filed. This report is due no later than 10 days after the termination is filed with the Ethics Commission.

Final Report: See "Final Report" under the instructions for Section 9.

Note**:** If you need additional information, see the *Campaign Finance Guide for Political Committees*.

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12. COMMITTEE NAME: Enter the committee's full name.

13. FILER ID: See instructions for Cover Sheet, page 1, section 1.

14. COMMITTEE ACTIVITY:

Line 1A- CANDIDATES SUPPORTED: Identify each candidate supported by the committee during the reporting period. If the committee's support was based on the candidate's political party, simply identify the political party.

Line 1B- CANDIDATES OPPOSED: Identify each candidate opposed by the committee during the reporting period. If the committee's opposition was based on the candidate's political party, simply identify the political party.

Line 2A- MEASURES SUPPORTED: Identify each ballot measure supported by the committee during the reporting period. Give the date and location of the election and the nature of the issue on the ballot.

Line 2B- MEASURES OPPOSED: Identify each ballot measure opposed by the committee during the reporting period. Give the date and location of the election and the nature of the issue on the ballot.

Line 3- OFFICEHOLDERS ASSISTED: Identify each officeholder assisted by the committee during the reporting period. If the committee's assistance was based on the officeholder's political party, simply identify the political party.

15. TOTALS: Complete this section only after you have completed any applicable schedules.

Line 1- TOTAL UNITEMIZED POLITICAL CONTRIBUTIONS: Enter the total of all unitemized contributions (other than pledges, loans, guarantees of loans, or contributions made electronically) of $20 or less. Do not include any contributions itemized on Schedule A1 and A2 or any contribution made electronically. Enter a "0" if you did not receive any unitemized contributions during the period covered.

On Schedules A1 and A2, you are required to itemize political contributions that totaled more than $20 from one person during the reporting period and any political contribution that is made electronically. (Remember: If the committee received contributions *totaling* more than $20 from one person during the reporting period, you are required to itemize all of those contributions, even if individual contributions were $20 or less.) You may also itemize contributions of $20 or less from one person. Do not include any itemized contributions in the total entered on line 1, regardless of amount.

> Alternate Reporting Requirement for Certain Committees: A county executive committee with less than $27,380 in total political contributions maintained as of the last day of the preceding reporting period may choose to enter on line 1 the total of all unitemized political contributions (other than pledges or loans or guarantees of loans) of $40 or less. If the committee is eligible, check the box on line 1, indicating that the report qualifies for the higher itemization threshold. If you choose this alternative, you are required to itemize political contributions that totaled more than $40 from one person on Schedules A1 and A2. Do not include any itemized contributions in the total entered on line 1, regardless of amount.

Line 2- TOTAL POLITICAL CONTRIBUTIONS: Add the total contributions listed on Schedules A1 and A2 to the amount you entered on line 1. Enter that total on line 2. Enter a "0" if you did not receive any contributions during the period covered.

Line 3- TOTAL UNITEMIZED POLITICAL EXPENDITURES: Enter the total of all unitemized political expenditures of $20 or less. Do not include any expenditures itemized on Schedules F1, F2, F3, or F4. Enter a "0" if you did not make any unitemized expenditures during the period covered.

On Schedule F1, you are required to itemize political expenditures that totaled more than $20 to one payee. (Remember: If the committee made expenditures *totaling* more than $20 to one person during the reporting period, you are required to itemize all of those expenditures, even if individual expenditures were $20 or less.) You may also itemize expenditures totaling $20 or less to one payee. Do not include any expenditures itemized on Schedule F1 in the total entered on line 3, regardless of amount.

On Schedule F2, you are required to itemize incurred but not yet paid political expenditures that totaled more than $20 to one payee. You may also itemize incurred political expenditures totaling $20 or less to one payee. Do not include any political or non-political expenditures itemized on Schedule F2 in the total entered on line 3, regardless of amount.

On Schedule F4, you are required to itemize political expenditures made by a credit card that totaled more than $20 to one payee. You may also itemize political expenditures totaling $20 or less to one payee. Do not include any political or non-political expenditures itemized on Schedule F4 in the total entered on line 3, regardless of amount.

Line 4- TOTAL POLITICAL EXPENDITURES: Add the following:

(a) the total expenditures listed on Schedule F1;

(b) the total political expenditures listed on Schedule F2;

(c) the total political expenditures listed on Schedule F4; and

(d) the amount you entered on line 3.

Enter that total on line 4.

Enter a "0" if you did not make any expenditures during the period covered.

Line 5- TOTAL POLITICAL CONTRIBUTIONS MAINTAINED: Enter the total amount of political contributions, including interest or other income on those contributions, maintained as of the last day of the reporting period. Enter "0" if you do not maintain political contributions, including interest or other income on those contributions, as of the last day of the reporting period. This is different from the total contributions reported on line 2. Only contributions accepted during the period covered by the report are entered on line 2.

The law requires you to disclose the total amount of political contributions accepted, including interest or other income on those contributions, maintained in one or more accounts in which political contributions are deposited as of the last day of the reporting period.

The "total amount of political contributions maintained" includes: the total amount of political contributions maintained in one or more accounts, including the balance on deposit in banks, savings and loan institutions and other depository institutions; 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 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.

Line 6- TOTAL PRINCIPAL AMOUNT OF ALL OUTSTANDING LOANS: Enter the aggregate outstanding principal amount of all loans accepted for political purposes as of the last day of the reporting period. This is different from the information reported on Schedule E. Include outstanding principal of loans made in this reporting period as well as outstanding principal of loans made previously. Enter a "0" if you did not accept any loans during the period covered and have no outstanding loans. This line must include outstanding principal of loans made in this reporting period as well as outstanding principal of loans made previously.

16. **SIGNATURE:** Complete this section only after you have completed all applicable sections and schedules. You must always sign a report that you file. You must complete this section even if you have no schedules to attach. ***Only the committee's campaign treasure or the assistant campaign treasurer may sign the report***.

If you are using the paper form, fill this section out by hand after you finish the rest of this report. You have the option to either: (1) take the completed form to a notary public where you

EXAMPLES: PURPOSE OF EXPENDITURES

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. 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.

(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.” 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.” 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 category is “travel out of district” and an acceptable brief description is “airline ticket to attend [name of seminar] in [city,] [state]. You must also complete “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.” An acceptable brief description 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 description 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 description 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 description 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 description is “meeting to discuss campaign/officeholder issues.