



TEXAS ETHICS COMMISSION



ETHICS ADVISORY OPINION NO. 299

January 12, 1996

Whether a payment in settlement of a lawsuit may be contributed to a political party to use for campaign purposes. (AOR-333)

The Texas Ethics Commission has been asked to consider whether a payment in settlement of a lawsuit may be contributed to a political party to use for campaign purposes. The request letter describes a settlement under the terms of which the State of Texas issued a check to the plaintiffs' attorneys as trustees for the plaintiffs. None of the named plaintiffs is an entity subject to the restrictions in the Texas Election Code on political contributions from corporations or labor organizations. Elec. Code ch. 253, subch. D. The first question raised is whether plaintiffs may donate the money to a political party to use in connection with campaigns for state or local offices in Texas. There is nothing in title 15 of the Election Code that would prohibit such a contribution.

The next question raised is whom the political party should report as the source of the contribution. If the plaintiffs in the lawsuit are entitled to dispose of the money and choose to contribute it to the political party for campaign purposes, the political party should identify the plaintiffs as the contributors. Each plaintiff should be identified as having contributed the amount of money that plaintiff was entitled to dispose of.

SUMMARY

Plaintiffs in a lawsuit may contribute a payment made to the plaintiffs in settlement of the lawsuit to a political party to use for campaign purposes as long as none of the plaintiffs is an entity subject to the restrictions on political contributions from corporations or labor organizations in subchapter D of chapter 253 of the Election Code.