

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 18, 2003

TO: Honorable Phil King, Chair, House Committee on Regulated Industries

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB853 by West, George "Buddy" (Relating to establishing a no offensive e-mail list; providing a penalty.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB853, As Introduced: an impact of \$0 through the biennium ending August 31, 2005.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	\$0
2005	\$0
2006	\$0
2007	\$0
2008	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/ (Loss) from <i>GENERAL REVENUE</i> <i>FUND</i> 1	Probable Savings/(Cost) from <i>GENERAL REVENUE</i> <i>FUND</i> 1	Change in Number of State Employees from FY 2003
2004	\$128,794	(\$128,794)	3.0
2005	\$178,321	(\$178,321)	5.0
2006	\$178,321	(\$178,321)	5.0
2007	\$164,943	(\$164,943)	5.0
2008	\$164,943	(\$164,943)	5.0

Fiscal Analysis

The bill would amend Title 4, Business and Commerce Code, by adding Chapter 46, No Offensive E-mail List. It would require the Public Utility Commission (PUC) to establish and operate a database of persons in the state who object to receiving unsolicited offensive commercial e-mail messages. Individuals requesting to be placed on the "no offensive e-mail list" would pay a fee not to exceed \$3 and would be placed on the list for a three-year period.

The bill would establish enforcement authority for the PUC and would authorize the Office of the Attorney General to investigate violations and take civil actions against violators. The bill would also allow for entities to purchase the no offensive e-mail list from the PUC for a fee not to exceed \$75 per issuance.

The bill would require the Public Utility Commission to receive and investigate complaints concerning violations of chapter 46 and it may assess an administrative penalty up to \$1,000 for each violation.

The bill would take effect January 1, 2004.

Methodology

In the U.S. Census Bureau Data, approximately 47.7% of Texas households have Internet access (3.6 million households). Using this information, the Public Utility Commission estimates that approximately 25% of Texas households (1,000,000 e-mail listings) would request listing. The PUC indicates it would outsource the development, maintenance, updates and distribution of the list.

The PUC estimates an increased workload from implementing the bill would require 3 FTEs in 2004 and 5 FTEs in subsequent years. The PUC would incur costs of \$128,974 in the first year, \$178,321 in fiscal years 2005 and 2006, and \$164,943 in fiscal years 2007 and 2008.

It is assumed the agency would set fees in an amount to offset any costs associated with implementation of the bill.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 302 Office Of The Attorney General, 313 Department Of Information Resources, 360 State Office Of Administrative Hearings, 473 Public Utility Commission Of Texas, 475 Office Of Public Utility Counsel

LBB Staff: JK, JRO, RT, JW