

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

March 12, 2003

**TO:** Honorable Mary Denny, Chair, House Committee on Elections

**FROM:** John Keel, Director, Legislative Budget Board

**IN RE: HB1501** by Denny (Relating to the filing of campaign treasurer appointments and reports of political contributions and expenditures by candidates for, holders of, and specific-purpose committees for supporting or opposing candidates for or assisting holders of county, precinct, and certain district offices.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1501, As Introduced: a negative impact of (\$432,898) through the biennium ending August 31, 2005.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2004	(\$314,478)
2005	(\$118,420)
2006	(\$140,388)
2007	(\$118,420)
2008	(\$140,388)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1	Change in Number of State Employees from FY 2003
2004	(\$314,478)	3.0
2005	(\$118,420)	3.0
2006	(\$140,388)	3.0
2007	(\$118,420)	3.0
2008	(\$140,388)	3.0

Fiscal Analysis

This bill would require an additional 4,434 offices to file campaign finance reports with the Ethics Commission. According to the agency, the number of reports filed in election years would total 44,340. This increased filer population would more than double the current number of campaign finance reports received by the Ethics Commission.

Methodology

Assuming that one-half of the fliers would be eligible for an exemption from filing electronically, three (3) additional staff, a System Support Specialist II for phone support and two (2) administrative

technicians for data entry, imaging and processing incoming reports, and postage and printing costs to provide forms, filing schedules and software for the new filers. The annual cost of these additional positions is \$90,549. Annual costs in non-election years would total \$118,420, and in election years, \$140,388 per year due to additional postage and printing costs. Finally, because this bill would more than double the number of filers required to file campaign finance reports with the Ethics Commission, two (2) additional servers at a cost of \$152,870 would be needed to accommodate this increase in activity. In addition, associated operating system and database software would be needed for the additional servers at a cost of \$21,220 per fiscal year. The purchase of the servers represent a one-time cost.

**Technology**

This bill would require (2) additional servers and operating system and database software.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 356 Texas Ethics Commission

**LBB Staff:** JK, GO, MS, JM