

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION
Revision 1

April 25, 2003

TO: Honorable Will Hartnett, Chair, House Committee on Judicial Affairs

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1582 by Gallego (Relating to nonpartisan elections for statewide judicial office, to the regulation of political contributions and expenditures in connection with statewide judicial office, and to the public financing of campaigns for statewide judicial office; providing civil and criminal penalties.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1582, As Introduced: a negative impact of (\$25,640,770) 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	(\$21,848,000)
2005	(\$3,792,770)
2006	(\$22,286,000)
2007	(\$3,792,770)
2008	(\$22,735,000)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1	Probable Revenue Gain/ (Loss) from Judicial Campaign Financing Fund	Probable Savings/(Cost) from Judicial Campaign Financing Fund
2004	(\$21,848,000)	\$21,848,000	(\$21,848,000)
2005	(\$3,792,770)	\$0	\$0
2006	(\$22,286,000)	\$22,286,000	(\$22,286,000)
2007	(\$3,792,770)	\$0	\$0
2008	(\$22,735,000)	\$22,735,000	(\$22,735,000)

Fiscal Analysis

This bill would provide for the nonpartisan election of candidates for the judicial offices of Supreme Court Chief Justice, Supreme Court Justices, Presiding Judge of the Court of Criminal Appeals, and Court of Criminal Appeals Justices.

This bill would create the Judicial Campaign Financing Fund to provide for public financing of campaigns of candidates running in a nonpartisan judicial election for offices in the Supreme Court and the Court of Criminal Appeals. In even-numbered years, the Comptroller of Public Accounts

would transfer revenue received from the Attorney Occupation Tax in that calendar year and in the previous calendar year into the fund. The bill would also require that a candidate accept and receive at least \$30,000 in campaign donations to be eligible for public financing. A candidate would forward any amount above the \$30,000 minimum to the Texas Ethics Commission, which in turn would forward the revenues to the Comptroller for deposit in the new fund.

The Texas Ethics Commission would certify the funding of eligible candidates to the Comptroller and determine the amount of campaign financing available for each category of candidate. A candidate who withdrew from candidacy or who became ineligible would have to refund any unexpended and unobligated money to the Comptroller for deposit into the fund. At the end of a campaign, a candidate would be required to return any unexpended and unobligated money to the Comptroller for deposit in the fund. The civil penalty for failure to comply with these requirements would be a fine not to exceed three times the amount due to the state. The bill would also authorize the Secretary of State to publish a voter's guide on candidates in nonpartisan judicial elections for offices in the Supreme Court and the Court of Criminal Appeals.

Methodology

The Comptroller of Public Accounts estimates the transfer required by the bill from the General Revenue Fund to the Judicial Campaign Financing Fund, based upon the Biennial Revenue Estimate as follows: \$21,848,000 in fiscal year 2004, \$22,286,000 in fiscal year 2006, and \$22,735,000 in fiscal year 2008. The Comptroller's estimate does not include contributions or refunds of unused campaign funds paid into the fund.

The Secretary of State estimates the cost to prepare and mail voter information pamphlets in 2005 and 2007 to be \$3,792,770 each year. This includes translation and printing costs to print the pamphlets in both English and in Spanish.

According to the Texas Ethics Commission, the agency has estimated they could absorb any cost for administering the public financing system within the agency's existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 201 Supreme Court of Texas, 304 Comptroller of Public Accounts, 307 Secretary of State, 356 Texas Ethics Commission
LBB Staff: JK, JO, GO, JF, KG, MS