

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION
Revision 1

April 26, 2007

TO: Honorable David Swinford, Chair, House Committee on State Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB1517 by Paxton (Relating to the reporting of expenditures for lobbying and legislative communication by local governmental entities.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1517, Committee Report 1st House, Substituted: a negative impact of (\$82,000) through the biennium ending August 31, 2009.

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
2008	(\$65,500)
2009	(\$16,500)
2010	(\$16,500)
2011	(\$16,500)
2012	(\$16,500)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from GENERAL REVENUE FUND 1
2008	(\$65,500)
2009	(\$16,500)
2010	(\$16,500)
2011	(\$16,500)
2012	(\$16,500)

Fiscal Analysis

The bill would require a local governmental entity to include in its annual financial statement or report specified information about each expenditure for legislative communications.

The Texas Ethics Commission would be required to make available on the agency's Internet website lobbyist registration information in a manner that can be sorted by any field of information required to be filed.

The bill would take effect immediately if it were to receive the required two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Methodology

The Texas Ethics Commission (commission) assumes implementation would require making adjustments to software and databases and mailing copies of the new software to approximately 1,600 lobbyists.

The commission reports that for lobby registrations to include additional information from a registrant regarding lobby communications for a local government entity, modifications would have to be made to the lobby electronic filing software, parser, AMS (agency database), and lobby lists. The agency assumes the modification could be achieved utilizing existing resources. However, mailing software to approximately 1,600 lobbyists would cost \$2,000.

To provide for the search capability for a person to sort the listing of lobbyist registrations by any field, a new lobby search engine would be required. Meeting this new requirement to search 149 fields of information would require new hardware (server) at a cost of \$7,000, new software and licensing at a cost of \$16,500, and two programmers working an estimated four to five months to program the search engine at a cost of \$40,000.

Technology

The cost for Oracle software and licensing is estimated at \$16,500 for the initial license and \$16,500 each year thereafter for license renewal. A new server would be required to accommodate the search engine, at a cost of \$7,000 in fiscal year 2008.

Local Government Impact

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

Source Agencies: 356 Texas Ethics Commission, 701 Central Education Agency

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