

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

April 15, 2009

TO: Honorable Todd Smith, Chair, House Committee on Elections

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

IN RE: HB3146 by Anchia (Relating to public financing of campaigns for certain judicial offices and to limits on political contributions to and direct campaign expenditures made on behalf of judicial candidates, and officeholders, in connection with certain judicial offices; providing civil penalties.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB3146, As Introduced: a negative impact of (\$989,419) through the biennium ending August 31, 2011.

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
2010	(\$989,419)
2011	\$0
2012	(\$989,419)
2013	\$0
2014	(\$989,419)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2010	(\$989,419)
2011	\$0
2012	(\$989,419)
2013	\$0
2014	(\$989,419)

Fiscal Analysis

The bill would amend the Election Code relating to public financing of campaigns for certain judicial offices, create the Campaign Financing Fund within the Treasury, and provide that the Secretary of State distribute a voter information pamphlet to registered voters, and establish civil penalties for violations of the this subchapter.

Methodology

The bill would create the Campaign Financing Fund consisting of legislative appropriations, gifts, grants, and civil penalties related to this bill's provisions. The bill would require that 25 percent of the fund be distributed to candidates for statewide judicial offices and 75 percent of the fund be distributed to candidates for appellate court justices. The Comptroller's office indicates that the revenue as a result of civil penalties and other funds to the Campaign Financing Fund cannot be estimated. Since the number of violations, the amount of revenue received from those penalties, the amount of donations to the Fund, and the amount of funding provided by the state is unknown at this time, the fiscal impact of these provisions is indeterminate.

The Secretary of State indicates that the fiscal impact to implement the provision of the bill requiring the agency to prepare and distribute a voter information pamphlet to every household of a registered voter would be significant. According to the Secretary of State's office, there were approximately 8,245,155 registered voters in Texas in fiscal year 2007. This analysis assumes that approximately one-fourth of those voters share a household and would require no more than one voter pamphlet sent to that household. As a result, 6,183,866 pamphlets would need to be printed at a cost of \$0.5 per pamphlet totaling \$309,193 in printing costs out of the General Revenue Fund every even numbered fiscal year. In addition, bulk mailing costs for 6,183,866 pamphlets would total \$680,225 out of the General Revenue Fund every even numbered fiscal year.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either with or outside of the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

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

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 304 Comptroller of Public Accounts, 307 Secretary of State, 356 Texas Ethics Commission

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