

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 17, 2011

TO: Honorable Larry Taylor, Chair, House Committee on Elections

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

IN RE: HB1081 by Gallego (Relating to reports and complaints filed with the Texas Ethics Commission.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB1081, As Introduced: a negative impact of (\$766,619) through the biennium ending August 31, 2013.

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
2012	(\$474,192)
2013	(\$292,427)
2014	(\$292,427)
2015	(\$292,427)
2016	(\$292,427)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1
2012	(\$474,192)
2013	(\$292,427)
2014	(\$292,427)
2015	(\$292,427)
2016	(\$292,427)

Fiscal Analysis

The bill would amend Election Code and Government Code to require the Texas Ethics Commission (Commission) to develop a secure Internet website that would allow individuals who file campaign finance reports, reports from candidates for Speaker of the House of Representatives, and lobbyist activity reports with the Commission to file those documents using the secure Internet website. The bill would also require the Commission to provide a 24-hour-a-day customer service capability with Commission staff available by phone or on-line to assist filers beginning 24 hours prior to each deadline for filing a report with the Commission.

The bill would take effect on September 1, 2011.

Methodology

The Texas Ethics Commission's current Web Filer application already has the capability to enable campaign finance and Speaker candidates' reports to be filed on-line on a secure serve site, but does not have the capability to allow the filing of lobby activity reports on-line. To provide that capability, the Commission reports that it would have to procure a Developer Analyst II through a Department of Information (DIR) vendor contract. According to the DIR website, the current hourly rate for a Developer Analyst II is \$80.73, and the Commission estimates a full year to complete the new development of the new application. Therefore, the one-time contract labor cost equals \$168,565. Maintenance of the application by current Commission staff would require training, resulting in an additional one-time cost of \$13,200. Finally, the bill would require customer service to be provided by Commission staff continuously beginning 24 hours before a filing deadline. The Commission reports that during a biennium, there are at least 116 known deadline days, with several other deadlines that are not known in advance, so reports could potentially be due to the Commission on any business day. Because a Monday deadline would require support to be available also on Sunday, the Commission would have to provide customer service 24 hours a day, 6 days a week. To cover these hours, the Commission would have to hire 5 new positions who are trained and experienced in legal, technical, administrative, and disclosure filing issues, at a cost of \$267,227 per year.

Finally, the Commission would have to add the capability to view and interact with the filer's desktop for technical support. To do this, the Commission would have to purchase a live chat service software, which costs \$150 per user per month in licensing fees. With 14 concurrent users, this would be \$2,100 per month in ongoing costs.

Technology

The Texas Ethics Commission would have to procure a Developer Analyst II through a Department of Information (DIR) vendor contract. According to the DIR website, the current hourly rate for a Developer Analyst II is \$80.73, and the Commission estimates a full year to complete the new development of the new application. Therefore, the one-time contract labor cost equals \$168,565. Maintenance of the application by current Commission staff would require training, resulting in an additional one-time cost of \$13,200. The Commission would also have to add the capability to view and interact with the filer's desktop for technical support by purchasing a live chat service software, which costs \$150 per user per month in licensing fees. With 14 concurrent users, this would be \$2,100 per month in ongoing costs.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 356 Texas Ethics Commission

LBB Staff: JOB, JT, MS, DEH