

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 28, 2015

TO: Honorable Dan Patrick, Lieutenant Governor, Senate

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB19 by Taylor, Van (Relating to the ethics of public officers and employees, the disclosure of certain political contributions, and related requirements and procedures; creating criminal offenses.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend Government Code to increase transparency and disclosure requirements for state officers, lobbyists, and political committees. The bill would require all personal financial statements to be filed electronically with the Texas Ethics Commission (TEC) and to be searchable electronically by a member of the public. The bill would also create an offense relating to political contributions and expenditure by former elected officials. The bill would require an ethics counselor to be designated by the Texas Legislative Counsel (TLC) to provide opinions on potential conflicts upon request by a member. The related costs to TEC and TLC are estimated to be absorbed within existing resources.

The bill would require TEC to award the respondent of a frivolous complaint certain costs to be paid by the filer of the complaint. The bill would allow the TEC to develop software related to its duties and would require any revenue generated from such development to be deposited into the General Revenue Fund. LBB estimates that any revenue generated would not be significant.

The bill would also amend Government Code to make certain elected members of the Employees Retirement System (ERS) ineligible to receive a service retirement annuity if convicted of a qualifying felony. The bill would also repeal Article 6220 of the Texas Revised Statutes.

ERS indicates that although the retirement fund would lose the liability of having to pay these members' future annuities, creating some savings to the fund, the bill is not anticipated to have a significant impact on the fund due to the relatively small number of individuals assumed to be affected by it. The bill would require ERS to resume payment of annuity if the conviction is overturned. ERS anticipates that any additional administrative costs associated with implementing the legislation could be absorbed within existing resources.

The bill would also amend Penal Code by enhancing the punishment for the offense of misuse of official information by a public servant. This analysis assumes implementing the provisions of the bill would not result in a significant impact on state correctional agencies.

Under the bill, certain provisions would take effect January 1, 2016 and January 1, 2017. The bill would take effect immediately upon receiving two-thirds vote in each chamber. Otherwise, the bill would take effect September 1, 2015.

Local Government Impact

A Class A misdemeanor is punishable by a fine of not more than \$4,000, confinement in jail for a term not to exceed one year, or both. Costs associated with enforcement, prosecution and confinement could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to be significant.

Source Agencies: 103 Legislative Council, 327 Employees Retirement System, 356 Texas Ethics Commission

LBB Staff: UP, AG, EP, EMo