

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 26, 2017**

**TO:** Honorable Jodie Laubenberg, Chair, House Committee on Elections

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB1895** by Reynolds (Relating to the conduct of primary elections.), **As Introduced**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1895, As Introduced: a positive impact of \$1,226,000 through the biennium ending August 31, 2019.

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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2018	\$1,226,000
2019	\$0
2020	\$1,226,000
2021	\$0
2022	\$1,226,000

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
2018	\$1,226,000
2019	\$0
2020	\$1,226,000
2021	\$0
2022	\$1,226,000

**Fiscal Analysis**

The bill would amend the Election Code to require political parties to conduct all primary elections and runoff primary elections jointly. Under present law, such joint elections are optional. The bill would also require county clerks to supervise the overall conduct of all primary elections and runoff primary elections.

The bill would take effect September 1, 2017.

## **Methodology**

This analysis assumes implementing the provisions of the bill would result in an overall cost savings of \$1,226,000 in General Revenue in the 2018-19 biennium due to cost sharing by parties conducting joint elections. Affected elections would include both joint primary elections and joint primary runoff elections. The Secretary of State (SOS) provided analysis based on its most recent, complete election cost data from 2014.

Based on information provided by SOS, this analysis assumes an overall savings based on four component costs of primary elections. First, joint elections would require fewer election workers per county than non-joint elections. According to the SOS, for a separately conducted election in an example county with electronic equipment, two parties holding primaries, and an expected turnout of 201-400 at a polling location, the SOS would recommend staffing levels of four workers per party, or eight workers total. However, for a joint election in the same county, the Secretary of State would recommend five workers, a 37.5% decrease. Across all counties presently conducting non-joint elections, the SOS estimates this would save approximately 35% of staffing costs. Multiplying the percent savings by \$2,600,000, the 2014 cost of election workers for non-joint elections, the resulting savings would be \$910,000 for the 2018-19 biennium.

The SOS assumes the provisions of the bill would result in other savings by reducing the costs of election kits and polling locations. The SOS estimates a 50% savings in costs for election kits by transitioning counties from non-joint to joint elections. Multiplying the percent savings by \$500,000, the 2014 cost of non-joint election kits, would result in a savings of \$250,000 in the 2018-19 biennium. Additionally, requiring parties to use the same polling locations would result in a 40% savings in counties currently using separate locations. Multiplying the percent savings by \$250,000, the 2014 cost of polling locations in counties with separate locations, would result in an estimated savings of \$100,000 in the 2018-19 biennium.

Partially offsetting the savings identified above, the SOS assumes the bill would increase overall fees paid to county clerks for overseeing joint elections. Pursuant to Election Code § 31.100, these fees are not to exceed 10% of the total contract costs for the management of a joint election. The SOS states that total contract costs for counties conducting non-joint primaries in 2014 were \$1,600,000. Reducing this figure by the \$1,260,000 in savings identified above, this analysis estimates the anticipated contract costs to be \$340,000 in the 2018-19 biennium. Multiplying these costs by the 10% fee maximum yields an anticipated increase of \$34,000 in county clerk fees for the 2018-19 biennium.

## **Local Government Impact**

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

**Source Agencies:** 307 Secretary of State

**LBB Staff:** UP, LBO, NV, ASa, BM