LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION Revision 1

May 3, 2017

TO: Honorable Sarah Davis, Chair, House Committee on General Investigating & Ethics

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2473 by Davis, Sarah (relating to the disclosure of gifts by vendors to certain local government officers and of certain relationships with local government officers; creating a criminal offense.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Local Government Code relating to disclosures by vendors of gifts for certain local entities. The bill would create a Class C misdemeanor for violating the provisions of the bill.

The bill would repeal Section 176.001(2-b), 176.003(a-1)-(a-2), 176.006(i), and 176.013(e) of the Local Government Code.

According to the Texas Ethic Commission, the agency would be able to absorb any cost associated with implementing the provisions of the bill.

The bill would take effect immediately if the bill receives a two-thirds vote in each house; otherwise, the bill would take effect September 1, 2017.

Local Government Impact

According to the Texas Association of Counties, the fiscal impact to local government cannot be determined.

A Class C misdemeanor is punishable by a fine of not more than \$500. Costs associated with enforcement and prosecution could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal impact. In addition to the fine, punishment can include up to 180 days of deferred disposition.

Source Agencies: 356 Texas Ethics Commission

LBB Staff: UP, KK, BM, SD, JGA, GGo