

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 26, 2017

TO: Honorable Joan Huffman, Chair, Senate Committee on State Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB445 by Burton (Relating to the authorization and reporting of expenditures for lobbying activities by certain political subdivisions and other public entities.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Local Government Code by adding Section 140.012 regarding the authorization of certain political subdivisions and other public entities to spend money on lobbying activities.

The bill would only apply to: a political subdivision that imposes a tax or issues bonds; a special district that issues bonds; a regional mobility authority; a transit authority; a regional tollway authority; a special purpose district; a public institution of higher education; a community college district; a publicly owned utility; or a river authority.

The bill would require the political subdivision or entity (henceforward referred to entity) to vote on the expenditure of funds to influence legislation as a stand-alone item on the agenda. The entity would be required to report to the Texas Ethic Commission (Ethics Commission) and publish on the entity's website the amount of money authorized, the name of any person required to register as a lobbyist, and a copy of any contract for services.

The bill would require the entity to report to the Ethics Commission and publish the amount of public money spent for membership fees and dues to any nonprofit organization or association that directly or indirectly attempt to influence pending legislation.

The Ethics Commission would be required to create and make available to the public a searchable database on Ethic's website the data from the above reports.

Based on the information provided by the Ethics Commission, this analysis assumes that any costs associated with implementing the bill could be absorbed within existing resources.

The bill would take effect September 1, 2017.

Local Government Impact

According to the Texas Municipal League, the fiscal impact from the provisions of the bill to municipalities is not anticipated to be significant.

Source Agencies: 304 Comptroller of Public Accounts, 356 Texas Ethics Commission, 701 Texas Education Agency, 781 Higher Education Coordinating Board

LBB Staff: UP, AG, BM, GGo, JGA