LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 7, 2019

TO: Honorable Stephanie Klick, Chair, House Committee on Elections

- **FROM:** John McGeady, Assistant Director Sarah Keyton, Assistant Director Legislative Budget Board
- **IN RE: SB9** by Hughes (Relating to election integrity; increasing criminal penalties; creating a criminal offense; creating civil penalties.), **As Engrossed**

The fiscal implications of the bill cannot be determined at this time.

The bill amends the Election Code relating to voter registration, poll watchers, voter assistants, voting system auditability, and civil and criminal penalties for election-related offenses. The bill would make no appropriation but provides the legal basis for an appropriation of funds to implement the provisions of the bill. The bill takes effect September 1, 2019.

Analysis by the Secretary of State indicates a potential cost of \$29.2 million if eligible political subdivisions seek reimbursements for auditable voting systems as authorized by the bill. However, since the exact demand for reimbursements is unknown the cost cannot be determined as this time.

Based on analysis by the Secretary of State, any costs associated with risk-limiting audits authorized by the bill could be absorbed within existing resources.

Based on analysis by the Office of the Attorney General and the Office of Court Administration, any cost associated with enforcing the provisions of the bill could be absorbed within existing resources. Based on analysis by the Comptroller of Public Accounts, the potential fiscal impact of civil penalties and fines authorized by the bill cannot be determined at this time.

Local Government Impact

The offense created by the bill would be a Class B misdemeanor. A Class B misdemeanor is punishable by a fine of not more than \$2,000, confinement in jail for a term not to exceed 180 days, 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 have a significant fiscal implication.

Additionally, the Secretary of State estimates a potential fiscal impact to counties resulting from securing any necessary software updates, performing acceptance testing of new equipment, and training on the new equipment.

Source Agencies: 307 Secretary of State, 212 Office of Court Administration, Texas Judicial Council, 302 Office of the Attorney General, 304 Comptroller of Public Accounts

LBB Staff: WP, SLE, JMO, SPa, CMa, NV, AF