

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**April 6, 2019**

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

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE:** **SB2353** by Hall (relating to the creation of a fund to assist local governments with the acquisition of voting system equipment.), **Committee Report 1st House, Substituted**

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

The Secretary of State is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Secretary of State may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

The bill amends the Elections Code to establish a Voting System Fund to facilitate the replacement of voting system equipment by political subdivisions. The Secretary of State is authorized to provide up to a fifty percent match against the cost of replacing voting system equipment, subject to the availability of funding. 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.

This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside of the Treasury, or create a dedicated revenue source. Legislative policy, implemented as Government Code 403.095, consolidated special funds (except those affected by constitutional, federal, or other restrictions) into the General Revenue Fund as of August 31, 1993 and eliminated all applicable statutory revenue dedications as of August 31, 1995. Each subsequent Legislature has reviewed bills that affect funds consolidation. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Based on the analysis of the Secretary of State, this analysis assumes that one-time costs associated with establishing an electronic grant management system to implement the provisions of the bill would be absorbed using existing resources.

Based on the analysis of the Secretary of State, the provisions of the bill relating to the issuance of grants for voting system equipment replacements could result in a cost of \$75,000,000 for the 2020-21 biennium. However, the amount of demand for reimbursements from political subdivisions, and the level appropriations available to the Voting System Fund, cannot be determined at this time.

## **Local Government Impact**

According to the Texas Association of Counties, no significant fiscal implication to counties is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 307 Secretary of State

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