

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 5, 2021

TO: Honorable Paul Bettencourt, Chair, Senate Committee on Local Government

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1879 by Bettencourt (Relating to the authorization and reporting of expenditures for lobbying activities by certain political subdivisions and other public entities.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1879, As Introduced : a negative impact of (\$93,000) through the biennium ending August 31, 2023.

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:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$77,500)
2023	(\$15,500)
2024	(\$15,500)
2025	(\$15,500)
2026	(\$15,500)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund</i> 1
2022	(\$77,500)
2023	(\$15,500)
2024	(\$15,500)
2025	(\$15,500)
2026	(\$15,500)

Fiscal Analysis

The bill would amend the Local Government Code to require the Texas Ethics Commission (TEC) to develop a new electronic filing application to allow certain reports required by this bill to be filed electronically and to be searchable on the Commission's Internet website.

TEC estimates that implementing the provisions of the bill would require approximately six months following the effective date of the legislation.

Methodology

The Commission obtained an estimate from the current vendor of its Electronic Filing System of the costs to develop this new electronic filing application. The vendors' estimated development cost for this application was \$62,000. The vendor estimate also included an additional two years of maintenance at \$15,500 per year for maintenance. This analysis assumes that \$15,500 yearly maintenance cost would continue into fiscal years 2025 and 2026.

Technology

The bill would require TEC to develop an electronic filing application to allow filers to create their own IDs, to file reports on demand, to correct those reports, and to upload contract PDFs.

Local Government Impact

According to Travis County, the reporting requirements included in the bill's provisions would not have a significant fiscal impact on the county. However, the fiscal impact of the penalties included in the bill's provisions cannot be determined. No significant fiscal impact to other units of local government is anticipated.

Source Agencies: 356 Texas Ethics Commission, 701 Texas Education Agency

LBB Staff: JMc, AF, LCO, GP