

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 15, 2025

**TO:** Honorable Ken King, Chair, House Committee on State Affairs

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB1804** by Tepper (relating to compliance with the filing requirements of certain reports of political contributions and expenditures and financial statements, including as a qualification for public elective office; providing an administrative penalty.), **Committee Report 1st House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB1804, Committee Report 1st House, Substituted: a negative impact of (\$471,865) through the biennium ending August 31, 2027.

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>	Probable Net Positive/(Negative) Impact to <i>General Revenue Related Funds</i>
2026	(\$238,742)
2027	(\$233,123)
2028	(\$233,123)
2029	(\$233,123)
2030	(\$233,123)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Savings/(Cost) from <i>General Revenue Fund</i> 1	<i>Change in Number of State Employees from FY 2025</i>
2026	(\$238,742)	2.0
2027	(\$233,123)	2.0
2028	(\$233,123)	2.0
2029	(\$233,123)	2.0
2030	(\$233,123)	2.0

Fiscal Analysis

The bill would amend the Election Code related to filing requirement for public elective office. It would make individuals ineligible to be a candidate for public office if certain financial reports required of the candidate were not filed within a specified period after the due dates of these reports. Upon delivery of a notice a specified period after the due date of the report, the relevant election authority would declare the person ineligible under certain circumstances.

The bill would require the Texas Ethics Commission (TEC) to monitor the filing status of candidates for public

office as posted by election authorities. Upon determining the authority had not complied with the provisions of the bill relating to ineligibility, the TEC would be authorized to assess a penalty of up to \$5,000 on the election authority in certain cases of non-compliance.

The bill would allow for the removal of certain public officers from their offices in the event that they are determined to be ineligible under the provisions of this bill.

### **Methodology**

According to the Texas Ethics Commission, the bill would require two additional FTEs (Attorney III at \$110,000 per year and Legal Assistant III at \$65,000 per year) to monitor the websites of election authorities for compliance, to send notice letters, and to prepare enforcement actions. Associated benefits for these two FTEs would be \$58,123 per year with an additional \$5,619 in startup costs in fiscal year 2026.

### **Local Government Impact**

The fiscal implications of the bill on local jurisdictions related to penalties due to non-compliance cannot be determined at this time. It is assumed that costs related to increased monitoring could be absorbed within existing resources.

**Source Agencies:** 304 Comptroller of Public Accounts, 356 Texas Ethics Commission

**LBB Staff:** JMc, WP, GP, LCO