

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

March 31, 2025

TO: Honorable Matt Shaheen, Chair, House Committee on Elections

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2773 by Leach (Relating to the unlawful altering of election procedures; providing a civil penalty.),
As Introduced

Estimated Two-year Net Impact to General Revenue Related Funds for HB2773, As Introduced: a negative impact of (\$723,153) 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	(\$373,554)
2027	(\$349,599)
2028	(\$349,599)
2029	(\$349,599)
2030	(\$349,599)

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 2023</i>
2026	(\$373,554)	3.0
2027	(\$349,599)	3.0
2028	(\$349,599)	3.0
2029	(\$349,599)	3.0
2030	(\$349,599)	3.0

Fiscal Analysis

This bill would amend the Election Code to authorize the Secretary of State (SOS), after receiving or discovering information indicating that a public official or election official has engaged in unlawful violation of election procedures, to order that person by written notice to correct the offending conduct.

Should the official fail to comply with the notice, SOS would be required to refer the matter to the Office of the Attorney General (OAG) for investigation

The bill provides that an official is liable to the state for a civil penalty in the event of noncompliance.

The bill would authorize the OAG to bring an action to recover any assessed civil penalties.

Methodology

According to the SOS, the agency has received an average of at least 300 election complaints per year. The agency cannot determine at this time how many of these complaints could have resulted in written notifications or referrals under the provisions of this bill. However, the SOS does anticipate that the agency would need to conduct more time-intensive reviews of submitted election complaints. The agency also expects to receive an increased number of election complaints were the provisions of the bill to become law due to the expanded review and referral process.

The agency estimates that complying with the notification and referral conditions of the bill would require one additional staff attorney (Attorney IV at \$124,606 per year) and two program specialists for support (Program Specialist V at \$70,662 per year). Associated benefits and other expenses for these three positions would be \$83,669 per year with an additional \$23,955 in setup costs in fiscal year 2026.

According to the OAG, the office anticipates that any legal work resulting from the passage of this bill could be reasonably absorbed with current resources.

According to the Office of Court Administration, no significant fiscal impact to the state court system is anticipated.

According to the Comptroller of Public Accounts, although the creation of a new civil penalty could increase state revenues, the number of offenses that might occur is unknown, therefore the fiscal impact cannot be determined. This analysis assumes the impact would not be significant.

Technology

Local Government Impact

The effect of any potential fines due to civil actions levied under the provisions of this law on units of local government cannot be determined at this time.

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

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