LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION

April 6, 2011

TO: Honorable Larry Taylor, Chair, House Committee on Elections

FROM: John S O'Brien, Director, Legislative Budget Board

IN RE: HB1616 by Geren (relating to the reporting of political contributions and expenditures.), Committee Report 1st House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would amend Election Code, Section 254.032(a) to make additions to the list of contributions that must be included on campaign finance reports filed with the Texas Ethics Commission. Specifically, it adds (a) any credit, interest, rebate, refund, reimbursement, or return of a deposit fee resulting from the use of a political contribution or an asset purchased with a political contribution; (b) any proceeds of the sale of an asset or investment purchased with a political contribution; and (c) any other gain received from a political contribution. In addition, the full name and address from whom the amount is received, the date the amount was received, and the purpose for which the amount was received must also be provided in the report. The bill also would amend Government Code, Section 305.005 to add information that must be provided to the Texas Ethics Commission by those registering as lobbyists. Specifically, the lobbyist registration form would now include the full name and address of each person who pays the lobbyist for any reason from (a) a political contribution; (b) interest received from a political contribution; or (c) an asset purchased with a political contribution; (b)

The legislation would not require any changes to be made to the campaign finance reports currently filed with the Texas Ethics Commission. However, the bill would require the Texas Ethics Commission to make programming changes to the online forms and software used in the registration of lobbyists. The agency reports that the implementation of these programming changes could temporarily delay the implementation of other information technology projects at the agency, but it is anticipated that any additional costs associated with implementation of the legislation could be absorbed within existing resources.

The bill would take effect September 1, 2011.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 356 Texas Ethics Commission **LBB Staff:** JOB, JT, MS, DEH