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FISCAL IMPACT REPORT

SPONSOR Steinborn ORIGINAL DATE 2/24/17
LAST UPDATED _____ HB _____

SHORT TITLE Post-Session Lobbyist Reports SB 228

ANALYST Esquibel

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$985.0	\$100.0	\$1,185.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From
Secretary of State's Office (SOS)

SUMMARY

Synopsis of Bill

Senate Bill 228 (SB228) proposes to add a new section to the Lobbyist Regulation Act, requiring each lobbyist or lobbyist employer who is required to file an expenditure report, to file a report with the Secretary of State (SOS) within one week following a legislative session. Each lobbyist or lobbyist employer would be required to disclose which legislation was advocated for or against by the lobbyist and their employer, and whether the lobbyist or lobbyist employer supported or opposed that piece of legislation.

FISCAL IMPLICATIONS

The bill does not include an appropriation.

The Secretary of State's Office (SOS) notes its current Campaign Finance Information System (CFIS) is not equipped to allow for the additional reporting and disclosure required under the provisions of this bill. The proposed legislation would require the SOS to add an additional reporting type to the lobbyist module of the existing CFIS in order to capture the required information. The SOS submitted an information technology (IT) special appropriation request for \$985 thousand for consideration during this legislative session to replace the current Campaign Finance Information System (CFIS) to accommodate the system modifications mandated in HB105 passed during the 2016 session. If this special appropriation is approved,

the SOS would be able to also accommodate the requirements of SB228 in the new system design. Once implemented, the CFIS would need annual maintenance, repairs and upgrades which have an additional fiscal impact of approximately \$100 thousand annually based on current IT systems at the Secretary of State's Office.

The House-passed General Appropriation Act for FY18 IT systems does not including funding for CFIS.

ADMINISTRATIVE IMPLICATIONS

The Secretary of State's Office (SOS) notes if the bill is enacted, the SOS would modify educational and outreach materials to assist lobbyists regarding the additional reporting requirements. The SOS would experience additional administrative overhead in tracking lobbyist compliance with the new reporting requirement. There could also be an increase in complaints as a result of lobbyists' failure to comply with the additional reporting requirement.

RAE/jle