Bill Number:	H. 3931 Introduced on March 7, 2017
Author:	Herbkersman
Subject:	Nonprofits
Requestor:	House Ways and Means
RFA Analyst(s):	Kokolis
Impact Date:	March 15, 2017

Estimate of Fiscal Impact

	FY 2017-18	FY 2018-19
State Expenditure		
General Fund	Undetermined	$0
Other and Federal	Undetermined	$0
Full-Time Equivalent Position(s)	0.00	0.00
State Revenue		
General Fund	$0	$0
Other and Federal	$0	$0
Local Expenditure	Undetermined	$0
Local Revenue	$0	$0

Fiscal Impact Summary
This bill will have an undetermined expenditure impact on the General Fund, Other Funds, or Federal Funds, and local government, because of insufficient data to estimate the volume of reports or the number that may be requested as public records.

Explanation of Fiscal Impact

State Expenditure
This bill requires nonprofit corporations that receive more than $100 in public funds from a state agency or political subdivision to submit a quarterly expenditure report to the awarding jurisdiction, which must make the reports available to the public. The reports must include the amount of funds expended, the general purpose for which the funds were expended, and other information as the jurisdiction may require to increase public knowledge of the manner of expenditure. The bill specifically requires state agencies or political subdivisions to make the reports available in accordance with the Freedom of Information Act.

Data regarding nonprofit corporations is not available from the Secretary of State to estimate the number of reports state agencies or political subdivisions may receive as a result of this bill. Although the Secretary of State files financial reports from registered charities, not all nonprofit organizations register as charities and some file exemption applications. In addition, reports filed by registered non-profit organizations do not necessarily, nor are they required to list separately public funds received.

Reports required by this bill must be provided quarterly by nonprofit corporations receiving $100 or more. As a result, there may be an increase in the number of reports currently received by state agencies. Similarly, state agencies are already public bodies subject to the Freedom of Information Act with procedures and staff responsible for compliance with the Act's provisions, but the demand for reports could increase because more reports are available and public awareness raised. Consequently, while the Revenue and Fiscal Affairs Office expects the expenditure impact for state agencies to be manageable with existing resources and processes, the impact is undetermined for the absence of sufficient, centralized data.

State Revenue
N/A

Local Expenditure
Reports required by this bill must be provided quarterly by nonprofit corporations receiving $100 or more. As a result, there may be an increase in the number of reports currently received by political subdivisions. Similarly, political subdivisions are already public bodies subject to the Freedom of Information Act with procedures and staff responsible for compliance with the Act's provisions, but the demand for reports could increase because more reports are available and public awareness raised. Data on the potential number of nonprofit corporations is not available from the Secretary of State. Consequently, while the Revenue and Fiscal Affairs Office expects the expenditure impact for political subdivisions to be manageable with existing resources and processes, the impact is undetermined for the absence of sufficient, centralized data.

Local Revenue
N/A

Frank A. Rainwater

Frank A. Rainwater, Executive Director