

Department of Planning and Budget

2014 Fiscal Impact Statement

1. Bill Number: SB314

House of Origin ☐ Introduced ☒ Substitute ☒ Engrossed
Second House ☒ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Vogel**3. Committee:** Privileges and Elections**4. Title:** Elections; Campaign Finance Disclosure Act; candidates and campaign committees.

5. Summary: Elections; Campaign Finance Disclosure Act; candidates and campaign committees. Beginning July 1, 2016, requires that campaign finance documents be filed electronically with the State Board of Elections. Currently, the law allows General Assembly and local candidates to choose whether to file electronically or on paper. The ability for some local candidates to request exemption from some filing requirements is retained. The bill also provides for more immediate notification that candidates have filed required economic interest statements and that parties are choosing nominees by non-primary methods.

6. Budget Amendment Necessary: No.**7. Fiscal Impact Estimates:** Preliminary, see Item 8**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2017	\$50,000	1	General Fund
2018	\$50,000	1	General Fund
2019	\$50,000	1	General Fund
2020	\$50,000	1	General Fund

8. Fiscal Implications: Portions of this substitute version include amendments to § 24.2-502 and § 24.2-509, Code of Virginia. The State Board of Elections (SBE) indicates that clerks of local governing bodies will no longer have to send notifications to SBE for incumbent candidate Statement of Economic Interests filings, which could result in local cost savings. There will be additional cost reductions by ending the requirement for SBE to handle the receipt and distribution of the Statements of Economic Interests for local incumbent candidates. In order to implement the requirement for party chairs to notify SBE of nomination method, SBE will need to update forms, but these costs can be absorbed into the agency's normal annual update of all of its forms and guidance.

SBE indicates that the remaining sections of the Code amended in the bill would impact the Committee Electronic Tracking (COMET) system. SBE currently has 1,269 candidates and

political committees registered in the COMET system. SBE indicates that 4,772 local candidates ran for local office during the past four years. If all 4,772 candidates were required to file campaign finance reports electronically, then the number of filers the agency would process would increase by 376 percent. SBE indicates that an additional staff member would be needed to assist with the additional filers, estimated at a cost of \$50,000 for salaries and benefits. Additional staff would not be needed until Fiscal Year 2017, as the bill requires that candidates for local or constitutional offices file these reports with SBE on and after July 1, 2016. SBE indicates it would not need to hire additional staff if the requirement for local candidates to file is not required.

9. Specific Agency or Political Subdivisions Affected: State Board of Elections

10. Technical Amendment Necessary: No

11. Other Comments: An earlier version of this fiscal impact statement stated that a budget amendment would be required with this legislation. As this legislation will not have a fiscal impact until FY 2017, a budget amendment is not needed in this biennium. This revised fiscal impact statement corrects for this fact.

Portions of this substitute version are identical to the substitute version of HB956. The remaining portions of this bill are similar to HB641.

Date: February 18, 2014

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