

Department of Planning and Budget 2015 Fiscal Impact Statement

1. Bill Number: HB1836

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

2. Patron: Simon

3. Committee: Privileges and Elections

4. Title: Campaign finance; certain contributions prohibited.

5. Summary: Prohibits any corporation that has not established and is not acting as a political action committee from making any contribution to a candidate or campaign committee. The bill prohibits candidates and campaign committees from soliciting or accepting any contributions from such corporations. The bill defines "corporation" as any corporation organized under the laws of the United States, the Commonwealth, or any other state, regardless of whether the corporation does business in the Commonwealth.

6. Budget Amendment Necessary: Yes, Item 83.

7. Fiscal Impact Estimates: Preliminary, see Item 8.

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2015	-	-	-
2016	\$60,724	1	General
2017	\$60,724	1	General
2018	\$60,724	1	General
2019	\$60,724	1	General
2020	\$60,724	1	General
2021	\$60,724	1	General

8. Fiscal Implications: This legislation would require any corporation that wishes to make a contribution to a candidate or campaign committee to create a political action committee (PAC) and file the campaign finance reports required of PACs. The Department of Elections (ELECT) estimates that this requirement would lead to the creation of additional PACs, whose campaign finance reports ELECT would be required to review. ELECT does not collect data on how many corporations made contributions, but estimates that the law may increase the number of PACs by a range of 55 to 110.

ELECT indicates that it currently provides services to 550 PACs, 1,200 local and state candidates, and 1,200 candidate committees. Current Virginia law does not ban candidates or candidate committees from accepting a contribution from a specific source. ELECT would need to establish and execute new procedures to review campaign finance reports for

prohibited contributions, as well as provide services to candidates and candidate committees to ensure compliance with the law.

ELECT estimates that these additional administrative requirements will require an additional staff member, estimated at \$60,724 for salary and benefits.

9. Specific Agency or Political Subdivisions Affected: Department of Elections

10. Technical Amendment Necessary: No.

11. Other Comments: None.

C: Secretary of Administration

Date: January 22, 2015

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