

Department of Planning and Budget

2015 Fiscal Impact Statement

1. Bill Number: SB1400

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

2. Patron: Petersen

3. Committee: Privileges and Elections

4. Title: Campaign finance; campaign contribution limits; civil penalty.

5. Summary: Prohibits a person, other than a political party committee or political action committee, from making any single contribution or any combination of contributions that exceeds \$10,000 to any one candidate for Governor, Lieutenant Governor, Attorney General, or the General Assembly in a primary or other method of political party nomination immediately preceding the general or special election, or \$20,000 to any such candidate in any one election cycle. The bill also prohibits political action committees from making any single contribution or any combination of contributions that exceeds \$25,000 to any one candidate for Governor, Lieutenant Governor, Attorney General, or the General Assembly in a primary or other method of political party nomination immediately preceding the general or special election, or \$50,000 to any such candidate in any one election cycle. Compliance with these limitations is a requirement for candidacy for those offices. No limits are placed on contributions made by political party committees or by a candidate to his own campaign. Civil penalties for violations of the limits may equal up to two times the excess contribution amounts.

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 place limits on the dollar amount of campaign contributions a person or a political action committee (PAC) could make during a primary or an election cycle. The Department of Elections (ELECT) believes that because, under the proposed bill, PACs would have a higher contribution limit than other donors, this bill would

lead to the creation of additional PACs. ELECT does not collect data on how many entities would currently exceed the proposed contribution limit, but estimates that the law may increase the number of PACs by a range of 55 to 110. PACs are required to file campaign finance reports to ELECT, which the department then reviews.

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 place a limitation on campaign contributions. ELECT would need to establish and execute new procedures to review campaign finance reports, 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: This bill is similar to HB1836.

C: Secretary of Administration

Date: January 26, 2015

File: H:\General Government\GENERAL ASSEMBLY\2015 Session\ELECT\Introduced\SB1400\SB1400.docx