

Department of Planning and Budget

2007 Fiscal Impact Statement

1. Bill Number HB2995

House of Origin	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

2. Patron Scott, J.M.

3. Committee Privileges and Elections

4. Title Campaign finance; civil penalty.

5. Summary/Purpose: Adds a requirement for campaign committees, political committees, and out-of-state political committees to report the name and address of any controlling individual with an ownership interest exceeding 50 percent in any contributor that is a corporation, partnership, business, or other like entity. Prohibits making or receiving contributions without required disclosure and imposes a civil penalty equal to the greater of \$500 or the amount of the contribution.

6. Fiscal Impact Estimates are: Preliminary, see Item 8

6a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2006-07	\$45,000	0	GF

7. Budget amendment necessary: Yes, Item 85

8. Fiscal implications: All committees required to disclose political contributions under the Campaign Finance Disclosure Act would be required to list the name and address of the person who has a controlling interest in the business that contributes to their committee on their campaign finance reports. Failure to obtain this information at the time that the contribution is made will result in a civil penalty of \$500 or the amount of the contribution, whichever is greater.

Businesses would be required to provide, at the time that they contribute to a committee, the name and address of the person who has a controlling interest in the business. Failure to provide this information at the time that the contribution is made will result in a civil penalty of \$500 or the amount of the contribution, whichever is greater.

The Board would be required to update reporting forms and electronic filing software. The Board will also be required to expand its review of campaign finance reports to ensure that the controlling individual information has been included on each report.

There would be a one-time fiscal impact of at least \$45,000 (a consultant for 32 hours per week for a period about four and one half months at a cost of \$85.00 per hour.) in order to implement the provisions of the bill, as SBE would need to update its electronic reporting software as well

as its automatic review procedures. There would be an undetermined on-going administrative cost to continue to collect and report this information.

9. Specific agency or political subdivisions affected: State Board of Elections, local electoral boards

10. Technical amendment necessary: No

11. Other comments: None

Date 1/23/07 mtb

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c: Secretary of Administration