

## Department of Planning and Budget

### 2014 Fiscal Impact Statement

**1. Bill Number:** HB636

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

**2. Patron:** Campbell

**3. Committee:** Courts of Justice

**4. Title:** Secretary of the Commonwealth; centralized filing of disclosure statements; establishment of searchable database.

**5. Summary:** The bill centralizes the filing of economic interest disclosure statements in the Office of the Secretary of the Commonwealth. Currently only state officers and employees file such statements with the Secretary; local officers and employees file with the clerk of the locality, members of the Senate file with the Clerk of the Senate, and members of the House of Delegates file with the Clerk of the House. In addition, the bill requires the Secretary of the Commonwealth to establish and maintain a searchable electronic database comprising all disclosure statements and available to the public through the Internet.

**6. Budget Amendment Necessary:** See item 8.

**7. Fiscal Impact Estimates:** Preliminary. See item 8.

**8. Fiscal Implications:** A significant fiscal impact of the bill will be incurred to establish and maintain a searchable electronic database to comprise the disclosure forms and reports and to be made available to the public through the Internet. The Secretary of Commonwealth (SOC) roughly estimates the development of the database to cost around \$65,000, with ongoing annual maintenance costs of approximately 10 percent of the development cost.

With the bill's requirements for centralizing all processing and filing services at the SOC, the agency expects to nearly double its workload. Also, the SOC currently only collects and catalogs disclosures, but the bill calls for a review for accuracy and completion. The requirement for disclosures to be assessed and penalties issued for late and incomplete filings would further impact workload. It is roughly estimated that these workload factors would cause the need to augment staff with additional positions.

Additional costs are likely associated with the bill's requirements for the SOC to accept disclosure statements electronically, and to provide the appropriate software at no charge to electronic filers.

**9. Specific Agency or Political Subdivisions Affected:** Secretary of the Commonwealth; Clerk of the House; Clerk of the Senate.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** The bill is similar to House Bill 204.

1/29/2014