

Department of Planning and Budget

2016 Fiscal Impact Statement

1. Bill Number: HB6

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: Simon

3. Committee: Privileges and Elections

4. Title: Campaign Finance Disclosure Act; unlawful conversion of political contributions to personal use.

5. Summary: Prohibits any person from converting any moneys, securities, or like intangible personal property that has been contributed to a candidate, a campaign committee, or a political committee to his personal use or the personal use of any other person. A contribution is considered to be converted to personal use if the contribution, in whole or in part, is used to fulfill any commitment, obligation, or expense not related to the ordinary and necessary expenses related to seeking, holding, or maintaining public office or carrying out the ordinary activities of the committee. The bill provides that a violation of the prohibition is a Class 1 misdemeanor. Current law prohibits such conversion of contributions to personal use specifically with regard to disbursement of surplus funds at the dissolution of a campaign or political committee. The bill also requires the State Board of Elections to provide, upon request, formal advisory opinions regarding the permitted and prohibited uses of contributions and publish such opinions on the Department of Elections' website.

6. Budget Amendment Necessary: No.

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

8. Fiscal Implications: The proposed legislation requires the State Board of Elections to provide, upon request, formal advisory opinions regarding the permitted and prohibited uses of contributions. The formal opinions are also required to be published on the Department of Elections' website. The Department of Elections may incur additional administrative costs; however, it is not possible to project the number of requests for formal advisory opinions; therefore the fiscal impact for the Department of Elections cannot be determined.

The proposed legislation also finds anyone who violates any provision of § 24.2-945.3, Code of Virginia, guilty of a Class 1 misdemeanor. Anyone convicted of a Class 1 misdemeanor is subject to a sentence of up to 12 months in jail. According to the Virginia Criminal Sentencing Commission, not enough information is available to reliably estimate how many additional inmates in jail could result from this proposal. Ultimately, the presiding judge will decide if there is to be any time served in jail; however, any increase in jail population will increase costs to the state. The Commonwealth presently pays the localities \$4.00 a day for each misdemeanant or otherwise local responsible prisoner held in a jail. It also funds the

majority of the jails' operating costs, e.g. correctional officers. The state's share of these costs varies from locality to locality. According to the Compensation Board's most recent Jail Cost Report (November 2015), the estimated total state support for local jails averaged \$32.24 per inmate, per day in FY 2014.

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

10. Technical Amendment Necessary: No.

11. Other Comments: None.