

Department of Planning and Budget 2024 Session Fiscal Impact Statement

1. Bill Number: HB1045

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: Elections; campaign finance; Public Campaigns Program and Fund established; tax check-off.

5. Summary: Establishes the Public Campaigns Program within the Department of Elections for the purpose of providing matching payments of public money to participating candidates receiving qualified small-dollar contributions of less than \$250. The bill requires participating candidates to agree to abide by contribution limits and limits on the use of public matching payments in addition to agreeing to participate in public debates. Under the bill, matching payments are made from the Public Campaign Fund, which is funded by an option on Virginia tax returns to direct a contribution of \$40 from an individual filer, or \$80 dollars for joint filers, to the Fund. The bill requires the Department to conduct audits of elections involving Program participants and to make a report to the General Assembly on the status of the Program generally.

6. Budget Amendment Necessary: See below.

7. Fiscal Impact Estimates: Preliminary; see below.

8. Fiscal Implications: The total fiscal impact of the proposed legislation is currently indeterminate. ELECT would need to create the regulatory framework and develop the processes, procedures, forms, and guidance necessary to implement the provisions of this program. The demands for the administration of the program (including audits, determining payment eligibility, determining unlawful contributions and expenditures, and performing complex analysis of the impact of the program) exceed the current functions performed by ELECT.

ELECT would need to review options available for staffing, making temporary resources necessary in determining the infrastructure to support the creation of the new program. ELECT estimates a contractor would be needed for roughly 500 hours at \$120 an hour to develop the new program, totaling \$60,000.

The Department of Taxation considers implementation of this bill as routine and does not require additional funding.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Elections, State Board of Elections, and the Department of Taxation.

10. Technical Amendment Necessary: No.

11. Other Comments: None.

February 1, 2024