

(99-1801/7)

1999 Session

FISCAL ESTIMATE
DOA-2048 N(R10/98)

- ORIGINAL
- CORRECTED
- UPDATED
- SUPPLEMENTAL

LRB or Bill No./Adm. Rule No.
1999 Senate Bill 111

Amendment No. if Applicable

Subject

Changes in campaign finance law

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation
or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb
Within Agency's Budget Yes No

- Increase Existing Appropriation
- Decrease Existing Appropriation
- Create New Appropriation
- Increase Existing Revenues
- Decrease Existing Revenues

Decrease Costs

Local: No local government costs

- 1. Increase Costs
 - Permissive
 - Mandatory
- 2. Decrease Costs
 - Permissive
 - Mandatory

- 3. Increase Revenues
 - Permissive
 - Mandatory
- 4. Decrease Revenues
 - Permissive
 - Mandatory

5. Types of Local Governmental Units Affected:

- Towns
- Villages
- Cities
- Counties
- Others _____
- School Districts
- WTCS Districts

Fund Sources Affected

- GPR
- FED
- PRO
- PRS
- SEG
- SEG-S

Affected Ch. 20 Appropriations

20.510

Assumptions Used in Arriving at Fiscal Estimate

PLEASE SEE ATTACHED

Long-Range Fiscal Implications

PLEASE SEE ATTACHED

Agency/Prepared by: (Name & Phone No.)

Kevin J. Kennedy 266-8087
State Elections Board

Authorized Signature/Telephone No.

Kevin J. Kennedy 266-8087

Date

May 4, 1999

1999 Senate Bill 111

Assumptions:

This legislation provides for increased public funding for state campaigns and creates public funding for certain political parties. The legislation makes an annual GPR appropriation of at least \$3,000,000 plus funds generated from the elimination of a tax deduction for lobbying expenses and a tax on certain candidate committee earnings.

Raising the amount that can be designated by a taxpayer on the campaign fund income tax checkoff increases the amount of segregated funds available. The checkoff is modified to permit a designation to a specified political party or to a general account for candidate campaigns.

For the purpose of this fiscal estimate it is assumed that the amount available from the increased checkoff will be proportionate to the amount available under the current checkoff because the percentage of individuals making a designation has remained steady over the last few years. The amount available to candidates from the checkoff will increase to \$1,500,000. No estimate is made on how much would be designated for political parties, because Wisconsin has no experience with this provision.

No provision is made for the amount of money available from increased tax revenues based on the elimination of the deduction for lobbying expenses and the tax on candidate committee earnings. The amount is too speculative.

The amount needed to fund legislative candidate campaigns is projected based on past candidate participation and past candidates' ability to raise qualifying contributions. It is projected that 13 senate candidates and 90 assembly candidates would qualify for a maximum grant. \$2,900,000 would be distributed each election cycle to legislative candidates.

It is assumed that two candidates for all statewide partisan offices except secretary of state or state treasurer would qualify for a maximum grant. In one of those races only one candidate would qualify for a grant. \$5,525,000 would be distributed over the four-year election cycle.

Two candidates for state superintendent and four candidates for justice would qualify for a maximum grant in a four-year cycle. \$1,150,000 would be distributed, but only \$720,000 would be available under the apportionment of 12% of the available funds over a four-year period, assuming 3 races for justice and one for superintendent.

The Elections Board will incur one time costs for printing and distribution of new manuals (\$9,200) and forms (\$3,000). An LTE to assist in the design and development of manuals, forms and informational bulletins for registrants will cost \$15,600 for 6 months

work at \$15 an hour. One additional financial specialist (campaign auditor) will be needed to monitor the complex allocation of grant funds.

Long-Range:

Full funding will not be available for the 2000 or 2002 election cycles because the increased checkoff will not be in effect for the full two and four year cycles. At least \$4,500,000 will be available annually once the \$5 checkoff is in place. This will generate \$18,000,000 over a 4-year cycle. It is projected that \$12,475,000 will be required for regularly scheduled partisan (\$11,325,000) and nonpartisan (1,150,000) elections. Special elections, first time candidate supplements and political party distributions are not included in the estimate.

FISCAL ESTIMATE WORKSHEET

1999 Session

Detailed Estimate of Annual Fiscal Effect DOA-2047 (R10/94)	<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> UPDATED	<input type="checkbox"/> CORRECTED <input type="checkbox"/> SUPPLEMENTAL	LRB or Bill No./Adm. Rule No. 1999 Senate Bill 111	Amendment No.
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Subject
Changes in campaign finance law

I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
\$27,800 to design, print and distribute forms, manuals and informational bulletins

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
A. State Costs by Category	Increased Costs	Decreased Costs
State Operations - Salaries and Fringes	\$	\$ -
(FTE Position Changes)	(FTE)	(- FTE)
State Operations - Other Costs		-
Local Assistance		-
Aids to Individuals or Organizations	4,500,000	-
TOTAL State Costs by Category	\$ 4,500,000	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$ 4,500,000	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
III. State Revenues -	Increased Rev.	Decreased Rev.
Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
GPR Taxes	\$ Unknown	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$ Unknown	\$ -

NET ANNUALIZED FISCAL IMPACT

	STATE	LOCAL
NET CHANGE IN COSTS	\$ 4,500,000	\$ _____
NET CHANGE IN REVENUES	\$ Unknown	\$ _____

Agency/Prepared by: (Name & Phone No.) Kevin J. Kennedy 266-8087 State Elections Board	Authorized Signature/Telephone No. <i>Kevin J. Kennedy</i> 266-8087	Date May 4, 1999
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