

Fiscal Estimate Narratives

ELB 2/25/2004

LRB Number	03-1804/3	Introduction Number	AB-825	Estimate Type	Original
Subject					
Public financing of campaigns for certain state offices					

Assumptions Used in Arriving at Fiscal Estimate

This legislation makes several changes in campaign finance law. For purposes of this fiscal estimate it is assumed that the law will be in place for the 2004 election. For purposes of determining the amount of funding necessary for the publicly financed grants it is assumed the following number of candidates will qualify for and receive grants:

2004 Primary Grant Amount

State Senator 20 2,000,000

State Representative 145 3,625,000 5,625,000 total

2004 General Grant Amount

State Senator 10 1,000,000

State Representative 65 1,300,000 2,300,000 total

2005 Spring and special elections (including primaries)

Supreme Court 4 1,500,000

State Superintendent 2 750,000

State Senator 2 300,000

State Representative 4 300,000 2,850,000 total

This estimate assumes no additional funding for matching spending by candidates that do not accept the public funding or to match independent expenditures.

The agency will have to hire 6 LTEs at the Financial Specialist 2 level to audit and process the application and distribution of payments during even numbered years. The salary and fringe costs will be \$87,400. Initial set-up costs for the positions will be \$20,000 and plus administrative costs of \$5,400 for the positions.

Additional administrative costs include development of a campaign information system (\$3,000,000 first year development costs) and one time costs for revision of forms, manuals and training materials (\$2,500).

One-time costs.

Development of a campaign information system (\$3,000,000 first year development costs) and costs for revision of forms, manuals and training materials (\$2,500). The campaign finance information system is essential to current agency operations. The extent and scope of the changes required in this legislation make it imperative that the campaign information system be developed as part of the implementation of this legislation.

Long-Range Fiscal Implications

Long term funding issues.

It will require \$11,000,000 in annual funding to keep the legislative office accounts funded at the expected participation level. Statewide races will require at least another \$11,000,000 for statewide partisan races.

This does not include funding for matching spending by candidates that do not accept the public funding or to match independent expenditures.