



**Fiscal Estimate Narratives**  
**ELB 2/5/2003**

LRB Number	<b>03-0617/2</b>	Introduction Number	<b>SB-12</b>	Estimate Type	<b>Original</b>
<b>Subject</b>					
Campaign finance changes					

**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 elections, but no additional check off money will be available for the 2003 elections. The increased check off will be in place for the 2004 fall elections. For purposes of determining the amount of funding necessary for the WECF grants it is assumed the following number of candidates will qualify for and receive grants:

2004 General Grant Amount

State Senator 22 990,000  
State Representative 125 2,181,500 3,171,500 total

2004/2005 Spring and special elections

Supreme Court 4 540,000  
State Superintendent 2 225,000  
State Senator 2 90,000  
State Representative 4 90,000 945,000 total

This estimate assumes no additional WECF grant funds will be distributed to counter independent expenditures or excess spending by opponents of candidates that accept a grant. Based on current check off levels, the amount projected as available for use in the 2004 and 2005 campaigns is \$1,434,000. The balance of \$2,682,500 will have to come from the general fund.

The legislation appropriates \$85,100 for 2 staff positions for the Elections Board. Realistically the agency needs to add an additional 1.25 positions to meet the requirements of the legislation. This adds \$70,800 in staff related costs.

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).

**Long-Range Fiscal Implications**

It will require \$2,663,000 in annual funding to keep the office accounts funded at the expected participation level. This assumes no additional WECF grant funds will be distributed to counter independent expenditures or excess spending by opponents of candidates that accept a grant. The \$5 check off will generate \$1,500,000. The balance will have to be made up from the general fund. The campaign information system will require annual support costs of \$409,300.

## Fiscal Estimate Worksheet - 2003 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 03-0617/2	<b>Introduction Number</b> SB-12	
<b>Subject</b>		
Campaign finance changes		
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>		
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.		
<b>II. Annualized Costs:</b>	<b>Annualized Fiscal Impact on funds from:</b>	
	Increased Costs      Decreased Costs	
<b>A. State Costs by Category</b>		
State Operations - Salaries and Fringes	\$144,900	
(FTE Position Changes)	(3.2 FTE)	
State Operations - Other Costs	25,000	
Local Assistance		
Aids to Individuals or Organizations	2,663,000	
<b>TOTAL State Costs by Category</b>	<b>\$2,832,900</b>	
<b>B. State Costs by Source of Funds</b>		
GPR	169,900	
FED		
PRO/PRS		
SEG/SEG-S	2,663,000	
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)</b>		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
<b>TOTAL State Revenues</b>	<b>\$</b>	<b>\$</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$2,832,900	\$
NET CHANGE IN REVENUE	\$	\$
<b>Agency/Prepared By</b>		
<b>Authorized Signature</b>		<b>Date</b>

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2/4/2003