

Fiscal Estimate - 2007 Session

Original Updated Corrected Supplemental

LRB Number 07-2715/2	Introduction Number AB-0704	
Description Creation of the clean elections fund		
Fiscal Effect		
State:		
<input type="checkbox"/> No State Fiscal Effect <input type="checkbox"/> Indeterminate		
<input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget		
<input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
<input checked="" type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
Local:		
<input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities		
2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Counties <input type="checkbox"/> Others		
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
Fund Sources Affected		
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS		
Affected Ch. 20 Appropriations		
Agency/Prepared By	Authorized Signature	Date
DOR/ Paul Ziegler (608) 266-5773	Paul Ziegler (608) 266-5773	2/19/2008

Fiscal Estimate Narratives

DOR 2/19/2008

LRB Number	07-2715/2	Introduction Number	AB-0704	Estimate Type	Original
Description Creation of the clean elections fund					

Assumptions Used in Arriving at Fiscal Estimate

The bill contains a number of provisions related to public financing of elections for certain state offices. In addition, the bill imposes a 10 percent tax on lobbying expenditures which are reportable to the Government Accountability Board. Currently, lobbying expenditures are not subject to a tax. The tax is imposed on lobbying principals (persons who employ lobbyists) and is payable semiannually to the department of revenue. Lobbying expenditures of tax-exempt 501 (c) (3) organizations and governmental units are excluded from the tax. Revenues collected from the tax are deposited into the clean elections fund.

Based on information filed with the Government Accountability Board and lobbying expenditure growth over recent legislative sessions, the 10 percent tax on lobbying expenditures is expected to generate \$4.42 million from projected expenditures over the full 2007-08 Legislative session. On an annual basis, \$2.21 million would be collected in each year if expenditures are uniformly distributed. For the 2009-10 Legislative session, this amount expected to increase to \$2.40 million annually.

In addition, the department estimates one-time costs of \$365,200 under the bill to administer the tax (\$300,000 for programming and \$65,200 for LTE salary and fringe costs).

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
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Description Creation of the clean elections fund			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): \$365,200 to administer the tax (\$300,000 for programming and \$65,200 for LTE salary and fringe costs).			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
	State Operations - Salaries and Fringes	\$	\$
	(FTE Position Changes)		
	State Operations - Other Costs		
	Local Assistance		
	Aids to Individuals or Organizations		
	TOTAL State Costs by Category	\$	\$
B. State Costs by Source of Funds			
	GPR		
	FED		
	PRO/PRS		
	SEG/SEG-S		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
		Increased Rev	Decreased Rev
	GPR Taxes	\$	\$
	GPR Earned		
	FED		
	PRO/PRS		
	SEG/SEG-S	2,210,000	
	TOTAL State Revenues	\$2,210,000	\$
NET ANNUALIZED FISCAL IMPACT			
		State	Local
	NET CHANGE IN COSTS	\$	\$
	NET CHANGE IN REVENUE	\$2,210,000	\$
Agency/Prepared By		Authorized Signature	Date
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