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# FISCAL IMPACT REPORT

SPONSOR:	Feldman	DATE TYPED:	02/05/02	НВ	
SHORT TITLE	E: Amend Campaign Re	porting Act		SB	19/aSRC/aSPAC
ANALYST:				YST:	Woodlee

#### **APPROPRIATION**

Appropriation Contained		Estimated Add	litional Impact	Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	\$70.0		\$10.5	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

#### SOURCES OF INFORMATION

Secretary of State

#### **SUMMARY**

# Synopsis of SPAC Amendment

The Senate Public Affairs Committee amendment to Senate Bill 19 adds provisions that state that through December 31, 2003 the proper filing officer for filing reports and statements of exception is the Secretary of State for a public official or candidate seeking a statewide elective office, an elected judicial office (except magistrate), and legislative office unless that office represents a multi-county district in which reports may be filed with the county clerk of the county in which they reside. The amendment adds a new subsection that states that beginning January 1, 2004, the proper officer for filing reports and statements of exception is the Secretary of State for all public offices.

# Synopsis of SRC Amendment

The Senate Rules Committee amendment to Senate Bill 19 strikes the provisions that state the exception applied to those reporting for a magistrate or an elective county office. Also, the amendment strikes the provisions that allow reporting individuals to apply to the Secretary of State for an exemption due to hardship, as defined by the Secretary of State.

The amendment also reduces the appropriation from \$370.0 to \$70.0.

### Senate Bill 19/aSRC/aSPAC -- Page 2

# Synopsis of Original Bill

Senate Bill 19 appropriates \$370.0 from the general fund for fiscal year 2003 to the Secretary of State for the purpose of adding an electronic filing requirement to the Campaign Reporting Act, the development of a computer system to file reports electronically and to publish the reports on the internet in a searchable format

# Significant Issues

The bill provides that the Secretary of State shall develop or contract for services to develop a system that allows for the electronic submission and review by the public of reports of campaign expenditures, contributions and statements of exception. The system must enable individuals to file reports through the Secretary of State website and must provide for encrypted transmissions.

In addition to the provisions of the electronic filing system, the bill also stipulates the reports must be filed electronically beginning January 1, 2004 by all reporting individuals except those reporting for a magistrate or an elective county office. Reporting individuals may apply to the Secretary of State for an exemption due to hardship, which is defined by the Secretary of State.

#### FISCAL IMPLICATIONS

The bill appropriates \$370.0 for expenditure in fiscal year 2003. Any unexpended or unencumbered balance remaining at the end of fiscal year 2003 shall revert to the general fund.

In addition to the appropriation, the agency indicates that there will be an annual cost of \$55.5 for the maintenance, technical support and licensing fees. This is based on an industry standard of 15 percent of the initial system cost.

MW/ar