

Individual State Agency Fiscal Note

Bill Number: 5153 SB	Title: Campaign contributions	Agency: 082-Public Disclosure Commission
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Part I: Estimates

☐ No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

Non-zero but indeterminate cost. Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- ☒ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.
- ☒ Requires new rule making, complete Part V.

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Agency Approval: Chad Johnson	Phone: 360 407-8130	Date: 01/27/2015
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Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This bill creates a new category of political committees, called "incidental committees." The bill defines "incidental committee," sets out the circumstances under which incidental committees must register with the PDC and report contributions and expenditures, and requires the PDC to adopt rules concerning the dissolution of incidental committees.

The bill also removes the alternative reporting scheme available under current law for political committees that are registered and reporting outside the state of Washington but active in Washington elections.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

n/a

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

PDC makes the following workload assumptions to implement the requirements of this bill:

1. Reporting requirements and one or more forms will need to be revised (e.g., C-6, C-1pc), which will require modifying PDC's ORCA (online reporting of campaign activity) software, electronic filing system, and searchable campaign finance database. PDC assumes this work will require at least 140 hours of IT staff time to accomplish, \$6,710.
2. Existing instructional manuals, brochures, and training materials will need to be revised to accurately explain the new requirements, and additional outreach efforts will be needed to inform the regulated community about changes. PDC assumes this will require up to 40 hours of Outreach staff time to accomplish, \$1,260.
3. Currently, PDC receives a limited number of reports from out-of-state political committees.
4. The number of new incidental committees needing to register and report is indeterminate but expected to be more than a nominal impact on Compliance staff.
5. The number of complaints alleging violations of the new incidental committee requirements is indeterminate but expected to be relatively small, but PDC expects that the investigations involving these types of complaints will be relatively complex to complex.

Part III: Expenditure Detail

Part IV: Capital Budget Impact

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

Section 2 adds a definition of "incidental committee" and changes the definitions of "political committee" which will require the Commission to amend existing WAC definitions and adopt new rules to be consistent with these definitional changes.

Sections 4, 5, 6, & 7 add new registration and reporting requirements for incidental committees, which will require the Commission to adopt new rules and amend existing rules and forms (which are adopted in rule) to conform with these new requirements. Section 5(9) specifically requires the Commission, by December 31, 2015, to adopt new rules for the dissolution of incidental committees.

Section 7 eliminates the option for "out-of-state" political committees to use an alternative reporting method. Existing Commission rules, forms, and explanatory materials will need to be amended to remove this alternative reporting method.