



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 281** HLS 22RS 48
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.: **REVISED**

Date: May 9, 2022 1:21 PM	Author: MARCELLE
Dept./Agy.: Ethics Administration	Analyst: Monique Appeaning
Subject: Civil Penalties	

CAMPAIGN FINANCE OR INCREASE GF EX See Note Page 1 of 1
 Provides relative to the assessment of penalties for failure to timely file required reports

Present law provides for any candidate, the treasurer or chairman of a political committee, or any other person required to file any reports under **present law**, who knowingly fails to file or who knowingly fails to timely file any such reports as are required by present law may be assessed a civil penalty as provided in R.S. 18:1511.4.1 for each day until such report is filed. **Proposed law** adds "**after the notice sent pursuant to R.S. 42:1157 is received**" to **present law**.

EXPENDITURES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2022-23	2023-24	2024-25	2025-26	2026-27	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						

EXPENDITURE EXPLANATION

The Ethics Administration reports that under present law, the staff must send out a notice of delinquency by certified mail within four days of the due date, which notifies the filer that late fees are accruing. Proposed law will increase expenditures to the Ethics Administration to send out notices by certified mail, including **return receipt requests** to determine when the notices were received to determine the amount of late fees to assess, if applicable. The current price to send certified mail is \$4.48; however, when you add the return receipt requested to the certified mail, the cost increases to \$7.33. Also, if certified mail, return receipt is not delivered or accepted, or the office does not receive the necessary proof that it was delivered, the notice would be served by the local sheriff's office with an average cost of \$40 to serve a document.

Proposed law will result in a workload increase to the Ethics Administration to process certified mail returned receipts, resending notices or processing subpoenas. The agency reports that it can absorb the workload with existing staff.

For Informational Purposes

The three-year average of reports not filed or timely filed, the number of Campaign Finance reports not filed or not timely filed was approximately 890. That would equate to an increase in postage of roughly \$2,500 per year.

REVENUE EXPLANATION

Proposed law may decrease SGF revenues because the maximum penalty imposed for failure to timely and accurately file certain reports to Ethics Administration would decrease from \$2,000 to \$500 for the \$60 per day penalty and for other office candidates the maximum penalty would decrease from \$1,000 to \$500 for the \$40 per day penalty.

NOTE: Penalties and fines imposed for the violation of these provisions are considered income not available to the Ethics Administration; thereby, accrue to the State General Fund. The 3 year average exceeds \$240,000 annually.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
 Interim Deputy Fiscal Officer