



LEGISLATIVE FISCAL OFFICE
Fiscal Note

Fiscal Note On: **HB 906** HLS 24RS 1395
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

| | |
|--|--------------------------------|
| Date: April 17, 2024 8:42 AM | Author: WRIGHT |
| Dept./Agy.: Ethics Administration | |
| Subject: Revisions to the Campaign Finance Disclosure Act | Analyst: Kimberly Fruge |

CAMPAIGN FINANCE RE INCREASE GF EX See Note Page 1 of 1
 Makes revisions to the Campaign Finance Disclosure Act

Proposed law makes various revisions to the Campaign Finance Disclosure Act: provides for independent expenditure-only political committees; requires the supervisory committee accept electronic payment for filing fees associated with a statement of organization; requires the supervisory committee to allow statements of organization and other documents to be filed electronically; increases maximum expenditures from a petty cash fund from \$100 to \$200; increases various contribution limits; provides for the designation of political contributions for a specific election; requires the supervisor committee to notify the person alleged to have violated campaign finance laws of the committee's finding by letter; and provides for the investigation process by the supervisory committee.

Proposed law directs the Board of Ethics to conduct an investigation and analysis of best practices to modernize Louisiana's campaign finance and disclosure system.

| EXPENDITURES | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 5 -YEAR TOTAL |
|---------------------|-----------------|------------------|------------------|------------------|------------------|---------------|
| State Gen. Fd. | INCREASE | 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 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | | | | | | |
| REVENUES | 2024-25 | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 5 -YEAR TOTAL |
| State Gen. Fd. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| 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 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

Proposed law will result in a significant one-time increase in expenditures, estimated to be approximately \$100,000 SGF, to make various adjustments to the Louisiana Ethics Administration Disclosure and Electronic Reporting System (LEADERS) and for the agency to conduct an investigation of campaign finance best practices.

Proposed law makes various changes to the campaign finance laws including but not limited to allowing for independent expenditure-only political committees, increasing various contribution limits, and setting up a system to designate political contributions for a specific election. The Ethics Administration reports that proposed law will require a significant restructuring of LEADERS. The agency will need to contract with a professional service for computer programmers to implement the overhaul of the system. The Ethics Administration estimates the cost of the contract to be approximately \$95,000 in FY 25.

Proposed law directs the Board of Ethics to conduct an investigation and analysis of best practices to modernize Louisiana's campaign finance and disclosure system. The Ethics Administration estimates the cost of studying and analyzing best practices to be \$5,000 in FY 25.

For subsequent fiscal years, the Ethics Administration estimates the costs to implement proposed law to be nominal and can absorb any increase in their operating budget.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
Deputy Fiscal Officer