



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 906** HLS 24RS 1395
 Bill Text Version: **RE-REENGROSSED**
 Opp. Chamb. Action: **W/ SEN FLOOR AMD**
 Proposed Amd.:
 Sub. Bill For.:

Date: May 28, 2024	10:53 AM	Author: WRIGHT
Dept./Agy.: Ethics Administration		
Subject: Revisions to the Campaign Finance Disclosure Act		Analyst: Kimberly Fruge

CAMPAIGN FINANCE RRF 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. Proposed law increases the daily fine for failure to file or timely file certain financial statements.

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.	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	\$0	\$0	\$0	\$0	\$0	\$0

Annual Total

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

Proposed law may result in an indeterminable, but likely minimal, increase in state general fund revenues as a result of increasing the daily penalty for failure to file, or failure to file in a timely manner, financial disclosure statements from \$100 to \$250 per day. 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.

Senate
 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