

FISCAL NOTE

Drafting Number: LLS 19-0660 Date: January 9, 2019 Bill Status: House SVMA **Prime Sponsors:** Rep. Sirota

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CONTRIBUTION LIMITS FOR COUNTY OFFICES Bill Topic:

Summary of **Fiscal Impact:** State Expenditure

□ State Transfer

☑ TABOR Refund (minimal)

□ Local Government □ Statutory Public Entity

This bill sets campaign contribution limits for candidates for county offices. The bill increases state expenditures by \$7,000 in FY 2019-20 only; it also increases workload by a minimal amount, and potentially increases revenue from fines on an

ongoing basis.

Appropriation Summary:

The bill requires an appropriation of \$7,000 to the Secretary of State in FY 2019-20.

Fiscal Note Status:

This fiscal note reflects the introduced bill.

Table 1 State Fiscal Impacts Under HB 19-1007

		FY 2019-20	FY 2020-21
Revenue		-	-
Expenditures	Cash Funds	\$7,000	
Transfers		-	-
TABOR Refund		-	-

Summary

This bill establishes contribution limits and disclosure requirements for candidates for county offices. The maximum contribution that a candidate or candidate committee for a county office can accept for either the primary or general election are as follows:

- \$1,250 from any person;
- \$12,500 from a small donor committee; and
- \$22,125 from a political party.

These contribution limits must be adjusted for inflation every four years by the Department of State.

Background

County offices include county commissioner, county clerk and recorder, sheriff, coroner, treasurer, assessor, and surveyor. Disclosures by candidates for county offices are filed with the Department of State.

State Revenue

Beginning in FY 2019-20, this bill potentially increases fine revenue to the Department of State Cash Fund from county office campaigns that fail to correctly file campaign finance disclosures, or for other violations of contribution limits and disclosure requirements. This analysis assumes a high level of compliance and a low collection rate for any fines imposed, so any revenue is expected to be minimal. Fine revenue to the Department of State is subject to the TABOR constitutional revenue limit.

State Expenditures

For FY 2019-20 only, this bill increases Department of State Cash Fund expenditures by \$7,000. These funds are needed for programming changes to the online campaign finance system, TRACER, which permits candidate disclosures and contribution auditing. This work is performed by a vendor under contract with the department.

Violations of campaign contribution limits or disclosure requirements can result in complaints being filed with the Department of State, and cases being referred to administrative law judges (ALJs) in the Department of Personnel and Administration. This analysis assumes that any increase in complaints and ALJ referrals will be minimal and can be handled within existing appropriations.

TABOR refunds. The bill may increase state General Fund obligations for TABOR refunds by a minimal amount in FY 2019-20. Under current law, and based on the Legislative Council staff December 2018 forecast, the bill may correspondingly increase the amount refunded to taxpayers via sales tax refunds on income tax returns for tax year 2020. The state is not expected to collect a TABOR surplus in FY 2020-21.

Effective Date

The bill takes effect August 2, 2019, if the General Assembly adjourns on May 3, 2019, as scheduled, and no referendum petition is filed, and applies to the portion of any election cycle or calendar year remaining as of the effective date, and for any election commencing after that date, whichever is applicable.

State Appropriations

For FY 2019-20, this bill requires an appropriation of \$7,000 from the Department of State Cash Fund to the Department of State.

State and Local Government Contacts

Counties County Clerks Information Technology Law Personnel Secretary of State