

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 6137

BILL NUMBER: SB 70

DATE PREPARED: Mar 2, 1999

BILL AMENDED: Mar 2, 1999

SUBJECT: Various elections matters.

FISCAL ANALYST: Beverly Holloway

PHONE NUMBER: 232-9851

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) This bill makes several changes in campaign finance law, including the following:

- (1) Amends the definition of "auxiliary party organization".
- (2) Amends the definition of "nomination date" to specify when certain candidates must file campaign finance reports.
- (3) Amends the definition of "political action committee" to specify that a PAC is subject to campaign finance reporting requirements whether or not the PAC is affiliated with a political party.
- (4) Amends the campaign finance disclaimer requirement to exempt certain small items from the requirement and to make other changes to conform the Indiana disclaimer law with exemptions and requirements applicable to federal candidates.
- (5) Provides for administrative disbanding of a committee.
- (6) Makes various changes regarding filing campaign finance reports. Specifies that a contribution is considered to be received and accepted by a committee when any member of the committee has physical possession of the contribution and manifests an intent to keep the contribution by depositing it. Specifies that if a committee determines that the committee should not accept a contribution and then returns the contribution without depositing it, the returned contribution is not required to be listed on the report of the committee's treasurer.
- (7) Repeals the existing large contribution reporting statute and replaces it with a large contribution statute based on federal law. Provides that a large contribution report may be filed by fax.
- (8) Provides for the application of campaign finance laws to individuals who fill candidate vacancies.
- (9) Requires electronic submission of campaign finance reports to conform to formats approved by the election commission and other standards. Provides that the campaign finance report expenditure coding system required under current law must provide for not more than 10 codes and specifies that the expenditure coding system applies to reports beginning January 1, 2000. Requires the Election Division to provide the Legislative Council with a list of proposed codes not later than October 1, 1999.
- (10) Specifies campaign finance report filing deadlines.

(11) Provides that a person is not considered to have an interest in a pari-mutuel horse racing permit holder if: (1) not more than 10% of the person's gross income as shown on the person's most recent federal income tax return was generated from the horse racing meeting of the permit holder and any other horse racing meeting in the United States; or (2) the person has audited financial statements for a year ending not more than 18 months before the determination is made, and not more than 10% of the person's total revenues for that year were generated from the horse racing meeting of the permit holder and any other horse racing meeting in the United States. Provides the same framework for determining whether a person has an interest in a riverboat gaming licensee. Allows a riverboat gaming licensee, or a person who has an interest in a riverboat gaming licensee, to make a contribution to a committee if the contribution is designated for the purpose of supporting a convention or conference in Indiana or attracting a convention or conference to Indiana. Allows for similar contributions by a person with an interest in a pari-mutuel horse racing permit holder.

(12) Provides that the campaign finance computer database must have campaign finance reports for calendar years 1997 and 1998 in searchable and digital form, and the reports must be available on the Internet after December 31, 1998, but before January 1, 2000.

(13) Specifies that legislative caucus committees and national party affiliate committees are political action committees through December 31, 1997.

(14) Specifies reporting requirements under the 1997 campaign finance amendments for reports required during 1997.

(15) Repeals the definition of national party affiliate committee and another obsolete statute.

Effective Date: (Amended) July 1, 1997 (retroactive); January 1, 1998 (retroactive); January 1, 1999 (retroactive); Upon passage; July 1, 1999.

Explanation of State Expenditures: (Revised) (5) This provision would allow the Indiana Election Commission to disband an inactive committee which in turn would reduce staff time and costs required in determining and following-up an inactive committee.

(9) Under the provisions of this bill, the Election Division is required to provide the Legislative Council with a list of proposed codes not later than October 1, 1999. This can be done within the existing budget of the Election Division.

The remaining provisions of this bill have a minimal or no fiscal impact.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Indiana Election Commission; Election Division, Secretary of State's Office.

Local Agencies Affected: County election board.

Information Sources: Brad King, Co-General Counsel, Indiana Election Commission, (317) 232-3929.