



**Colorado
Legislative
Council
Staff**

HB16-1140

**FINAL
FISCAL NOTE**

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-0543
Prime Sponsor(s): Rep. Court; Pabon

Date: June 7, 2016
Bill Status: Postponed Indefinitely
Fiscal Analyst: Chris Creighton (303-866-5834)

BILL TOPIC: CAMP CONTRIB LIMITS FOR SCHOOL DIST DIR ELECTIONS

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018
State Revenue	Potential increase	
State Expenditures	\$9,871	\$4,839
Cash Funds	8,755	3,708
Centrally Appropriated Costs	1,116	1,131
FTE Position Change	0.1 FTE	0.1 FTE
TABOR Impact	Potential increase.	
Appropriation Required: \$8,755 - Department of State (FY 2016-17).		
Future Year Impacts: Ongoing state expenditure increase and potential revenue increase.		

Note: This bill was not enacted into law; therefore, the impacts identified in this analysis do not take effect.

Summary of Legislation

This bill sets the maximum amount of contributions that may be made to or received by a candidate or committee of a candidate for local school district board of education. The maximum contribution for a regular biennial or special school board election is set at \$500. The maximum contribution that a small donor committee may make is \$5,000. In addition, candidates for school boards must file periodic disclosures with the Secretary of State.

State Revenue

The bill potentially increases fine revenue to the Department of State Cash Fund from school district campaigns that fail to file campaign finance disclosures in a timely manner. However, this analysis assumes a high level of compliance and a low collection rate for any fines imposed.

TABOR Impact

This bill potentially increases state revenue from fines, which will increase the amount of money required to be refunded under TABOR. TABOR refunds are paid out of the General Fund. TABOR refund obligations are not expected for FY 2016-17.

State Expenditures

This bill increases expenditures in the Department of State by **\$8,755 and 0.1 FTE in FY 2016-17**. These costs are summarized in Table 1 and discussed below.

Table 1. Expenditures Under HB16-1140		
Cost Components	FY 2016-17	FY 2017-18
Personal Services	\$3,708	\$3,708
FTE	0.1 FTE	0.1 FTE
Computer Programming	5,047	
Centrally Appropriated Costs*	1,116	1,131
TOTAL	\$9,871	\$4,839

* Centrally appropriated costs are not included in the bill's appropriation.

Department of State costs are expected to increase for staff time and computer programming costs. Under this bill, school board candidate disclosures will be received more frequently and additional staff time is needed to process the disclosures and to ensure compliance. If a violation occurs, staff time will also be needed to process the penalty, notify the offending party, and issue penalty invoices. It is estimated that this will require approximately 300 hours of staff time per year. One-time modifications are also needed to upgrade the online campaign finance data system, which will require 49 hours of programming at a rate of \$103 per hour.

Violations of these contribution limits or disclosure requirements could 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.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Table 2. Centrally Appropriated Costs Under HB16-1140		
Cost Components	FY 2016-17	FY 2017-18
Employee Insurance (Health, Life, Dental, and Short-term Disability)	\$799	\$799
Supplemental Employee Retirement Payments	317	332
TOTAL	\$1,116	\$1,131

Effective Date

The bill was postponed indefinitely by the House State, Veterans, and Military Affairs Committee on March 21, 2016.

State Appropriations

For FY 2016-17, this bill requires an appropriation to the Department of State of \$8,755 and an allocation of 0.1 FTE from the Department of State Cash Fund.

State and Local Government Contacts

Education
Personnel

Law
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Information Technology