Department of Planning and Budget 2025 General Assembly Session State Fiscal Impact Statement

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Bill Number: SB1185 **Patron:** Carroll Foy

Bill Title: Campaign finance; coordination and required independent expenditure committee

disclosure; civil penalties.

Bill Summary: Provides a more detailed definition of the term "coordinated" or "coordination" in the context of campaign finance than current law. The bill also requires all persons making independent expenditures to file statements of organization and to file campaign finance reports thus making such persons subject to existing civil penalties for violations of filing laws.

Budget Amendment Necessary: No Items Impacted: N/A

Explanation: N/A

Fiscal Summary: There is an anticipated indeterminate state fiscal impact as a result of the provisions of this bill.

General Fund Expenditure Impact:

<u>Agency</u>	FY2025	<u>FY2026</u>	FY2027	<u>FY2028</u>	FY2029	<u>FY2030</u>
The Department of Elections	-	Indeterminate	Indeterminate	Indeterminate	Indeterminate	Indeterminate
TOTAL						

Fiscal Analysis: This bill would require the Department of Elections (ELECT) to modify the COMET system to create a new type of committee for Campaign Finance, specifically an "Independent Expenditure Committee" (IEC), which would be subject to monitoring and civil penalties. The cost to develop and implement this new committee type within the current system is indeterminate. ELECT currently has limited capacity to absorb the additional workload with its existing staffing to meet the anticipated effective date of July 1, 2026.

ELECT's goal is to incorporate this functionality into the COMET replacement system, for which funding has been included in the Governor's introduced budget. ELECT has been allocated funds to begin the planning and development process for replacing COMET. However, until this preliminary work is completed, ELECT is unable to provide a current estimate of the costs associated with these modifications.

In addition, this bill, along with other related legislation, calls for ELECT and the State Board of Elections to assess and collect civil penalties for various Campaign Finance infractions. This represents a significant expansion of responsibilities and workload for the Campaign Finance Division of ELECT and the State Board of

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Elections. As such, this expansion may necessitate an increase in staffing with specialized subject matter expertise.

Other: Similar legislation includes HB2173 and HB2484.