

**COMMONWEALTH OF KENTUCKY STATE FISCAL NOTE STATEMENT  
LEGISLATIVE RESEARCH COMMISSION  
2016 REGULAR SESSION**

**MEASURE**

2016 BR NUMBER **0313**

**HOUSE** BILL NUMBER **548**

RESOLUTION NUMBER \_\_\_\_\_

AMENDMENT NUMBER \_\_\_\_\_

**SUBJECT/TITLE** **AN ACT relating to campaign finance.**

**SPONSOR** **Representative Kay**

**NOTE SUMMARY**

FISCAL ANALYSIS:  IMPACT     NO IMPACT     INDETERMINABLE IMPACT

LEVEL(S) OF IMPACT:  STATE     LOCAL     FEDERAL

BUDGET UNIT(S) IMPACT: **Registry of Election Finance**

FUND(S) IMPACT:  GENERAL     ROAD     FEDERAL     RESTRICTED AGENCY \_\_\_\_\_     OTHER

**FISCAL SUMMARY**

<b>FISCAL ESTIMATES</b>	<b>2015-2016</b>	<b>2016-2017</b>	<b>2017-2018</b>	<b>ANNUAL IMPACT AT FULL IMPLEMENTATION</b>
<b>REVENUES</b>				
<b>EXPENDITURES</b>		Indeterminable, Minimum \$100,000	Indeterminable Minimal	Indeterminable Minimal
<b>NET EFFECT</b>		(Indeterminable, Minimum \$100,000)	(Indeterminable Minimal)	(Indeterminable Minimal)

( ) indicates a decrease/negative

**MEASURE'S PURPOSE:** The purpose of the measure is to increase transparency of election advertising and campaign finances.

**PROVISIONS/MECHANICS:** Section 1 amends KRS 121.015 to amend definitions, adds a new definition for "electioneering communication", and makes technical corrections.

Section 2 amends KRS 121.190 to include internet or other electronic communication network announcements within the types of advertising that must denote the individual or group that paid for the advertising, and expands the subject matter included under the requirement. It also requires the disclosure of the name and address of the person or persons that organize or operate any groups placing campaign advertisements.

Section 3 creates a new section of KRS 121 to require any person, group, or contributing organization that makes electioneering communication expenditures exceeding \$3,000 during an

election to register with the Registry of Election Finance (Registry) and follow the same reporting schedule that is required of candidates.

Additionally, any person, group, or contributing organization that makes or contracts to make electioneering communication expenditures in the amount of \$1,000 or more within 15 days before the date of an election shall electronically file a report with the Registry within 48 hours.

Furthermore, any person, group, or contributing organization that transfers funds exceeding \$100 that is intended to be used in electioneering communication shall be considered a contributing organization.

Lastly, the Registry shall promulgate administrative regulations consistent with KRS Chapter 13A.

**FISCAL EXPLANATION:** The Registry anticipates an initial fiscal impact to be at least \$100,000, primarily due to modifying their database. Other programmatic changes will require updating guidebooks, contribution charts, and additional training for staff and members of the regulated community. After these changes are implemented, any recurring costs should be minimal.

**DATA SOURCE(S):** Registry of Election Finance

**PREPARER:** Seth Dawson **NOTE NUMBER:** 150 **REVIEW:** JRS **DATE:** 3/17/2016