

Fiscal Estimate Narratives
DOR 3/12/02

LRB Number 01-4780/2	Introduction Number AB-801	Estimate Type Original
Subject		
Campaign financing; lobbying regulation; WECF designations; Elections Board staffing		

Assumptions Used in Arriving at Fiscal Estimate

Under current law, the Wisconsin election campaign fund is financed through an individual income tax "checkoff". Every individual filing a state income tax return (whether having a tax liability or refund) may designate that \$1 of general fund revenues be transferred to the campaign fund. Individuals filing a joint return may separately choose to designate a \$1 transfer. All moneys transferred to the campaign fund are placed in accounts for specified state offices, and candidates for those offices may qualify for grants from the fund for specified campaign expenses. No moneys in the fund may be used for any other purpose.

Under the bill, the checkoff amount would increase from \$1 to \$5. Each individual making a designation may indicate if the amount designated should go to a general account for the use of all eligible candidates who qualify for a grant from the fund, or in the account of an eligible political party whose name is certified to the Secretary of Revenue by the Elections Board for distribution to all candidates representing that party. If no indication is made, the amount is placed in the general account.

The bill also requires the Secretary of Revenue to include and highlight in the tax return instructions any information submitted by the Elections Board, without cost to the Elections Board, on the purpose and effect of the election campaign fund and tax checkoff. No later than the 15th of each month, the Secretary of Revenue must certify to the Elections Board, the Department of Administration and the State Treasurer the total amount of designations processed during the preceding month and the amount for the general account or each political party account.

In tax year 2000, approximately 322,000 taxpayers made \$1 designations to the Wisconsin election campaign fund on state income tax returns. If the number of taxpayers for whom transfers are made does not change, increasing the checkoff amount from \$1 to \$5 would increase the amount designated to the election campaign fund by \$1.3 million ($\$322,000 \times 4$).

The Department's estimates its costs to administer the bill at \$63,000 for additional printing and postage costs. The actual costs could be higher depending upon the amount and type of information submitted by the Elections Board. The bill does not provide funding for these costs.

Long-Range Fiscal Implications

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

LRB Number 01-4780/2		Introduction Number AB-801	
Subject			
Campaign financing; lobbying regulation; WECF designations; Elections Board staffing			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$63,000		
(FTE Position Changes)			
State Operations - Other Costs			
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$63,000		\$
B. State Costs by Source of Funds			
GPR	63,000		
FED			
PRO/PRS			
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$-1,300,000	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$	\$-1,300,000	
NET ANNUALIZED FISCAL IMPACT			
	State	Local	
NET CHANGE IN COSTS	\$63,000	\$	
NET CHANGE IN REVENUE	\$-1,300,000	\$	
Agency/Prepared By		Authorized Signature	Date
DOR/ Pamela Walgren (608) 266-7817		Brian Pahnke (608) 266-2700	3/11/02