

MAINE STATE LEGISLATURE

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R. & S.

L.D. 1823

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M I N O R I T Y
LEGAL AND VETERANS AFFAIRS

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STATE OF MAINE
HOUSE OF REPRESENTATIVES
117TH LEGISLATURE
SECOND REGULAR SESSION

COMMITTEE AMENDMENT "A" to I.B. 5, L.D. 1823, Bill, "An Act to Reform Campaign Finance"

Amend the bill by inserting at the end before the statement of fact the following:

FISCAL NOTE

1996-97

REVENUES

General Fund	(\$430,466)
Other Funds	560,466

This initiated bill includes a voluntary checkoff on the income tax form. Without a specific effective date, this checkoff will affect returns for tax years beginning on or after January 1, 1996, decreasing General Fund revenue by \$430,466 and decreasing dedicated revenue to the Local Government Fund for state-municipal revenue sharing by \$23,134 annually beginning in fiscal year 1996-97. These amounts, totaling \$453,600, will be deposited as dedicated revenue to the Maine Clean Election Fund established in this bill to finance gubernatorial and state legislative candidates.

In addition to the \$453,600 annually derived from the voluntary income tax form checkoff, the Maine Clean Election Fund will also receive additional dedicated revenue as a result of a transfer of \$2,000,000 from the General Fund's share of revenue from income taxes and sales and use taxes beginning in

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2 fiscal year 1998-99. Dedicated revenue to the Local Government
Fund will not be affected by these annual transfers. Beginning
4 in fiscal year 1998-99, the estimated reductions of General Fund
revenue will total \$2,430,466 annually.

6 The requirement that the Treasurer of State transfer
\$2,000,000 in General Fund revenue also requires that these
8 revenues must be offset in an equitable manner by an equivalent
reduction within the administrative divisions of the Legislature
10 and executive branch agencies.

12 In addition to these amounts, the Maine Clean Election Fund
will receive additional dedicated revenue from voluntary
14 donations, certain other contributions and fine revenue. The
total amounts of additional dedicated revenue accruing to the
16 fund can not be determined at this time. Distributions from the
fund are limited to the amount of money deposited in the fund.

18 This bill also increases lobbyist registration fees with the
20 additional dedicated revenue estimated at \$130,000 annually to be
used to pay for the Commission on Governmental Ethics and
22 Election Practices' additional administrative and enforcement
duties. The Commission on Governmental Ethics and Election
24 Practices will require an additional Other Special Revenue
allocation of \$118,000 in fiscal year 1996-97 for computer
26 installation and programming, other general operating expenses
and one full-time temporary position to prepare for the
28 monitoring and enforcement of these new election practices.
Eventually, the commission will require 4 staff positions with
30 estimated annual costs of approximately \$150,000 beginning in
fiscal year 1997-98. The revenue will not be sufficient to cover
32 the required allocations beginning in fiscal year 1997-98 and the
additional needs will be met utilizing funds from the Maine Clean
34 Election Fund.

36 The Bureau of Taxation will require an additional General
Fund appropriation of \$11,000 in fiscal year 1996-97 for one-time
38 computer programming costs to implement the new check-off
program. Other administrative costs incurred by the bureau
40 associated with this check-off program can be absorbed within
existing budgeted resources.

42 This bill may increase prosecutions for Class E crimes. If
44 a jail sentence is imposed, the additional costs to the counties
are estimated to be \$83.70 per day per prisoner. These costs are
46 not reimbursed by the State. The number of prosecutions that may
result in a jail sentence and the resulting costs to the county
48 jail system are expected to be insignificant.

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The additional workload and administrative costs associated with the minimal number of new cases filed in the court system can be absorbed within the budgeted resources of the Judicial Department. The collection of additional fines may increase dedicated revenue to the Maine Clean Election Fund by minor amounts. The dedication of this fine revenue may reduce General Fund revenue from fines by minor amounts.

Since this is an initiated bill, it must be enacted without change or sent out to referendum. To avoid referendum costs, the appropriations and allocations required by this bill must be included in other legislation.

If this initiated bill is not enacted or a competing measure is approved by the Legislature, the State will incur referendum costs. The estimated cost of sending this initiated bill out to referendum will vary according to the total number of referenda enacted during the Second Regular Session of the 117th Legislature to be submitted to the voters in November. The estimated cost to the Secretary of State if one to 6 referenda are enacted is \$95,000. Each additional referendum costs an additional \$7,000.

Whether enacted or sent out to referendum, General Fund revenue estimates must be adjusted downward to account for the projected revenue loss or the contingent revenue loss so as to ensure that a balanced General Fund budget for the 1996-1997 biennium is maintained.'

STATEMENT OF FACT

This amendment, which is the minority report of the Joint Standing Committee on Legal and Veterans Affairs, adds a fiscal note to the bill.

The Department of Corrections has prepared the following correctional impact statement for the original bill pursuant to the Maine Revised Statutes, Title 34-A, section 1402: "L.D. 1823, An Act to Reform Campaign Finance would create a Class E penalty.

Sentences of incarceration imposed for a Class E offense must be served in a county jail. The average cost per sentence to the county for a Class E offense is \$5,608.

No data was available to project the impact of this new penalty on the average daily population of county jails."