

## Department of Planning and Budget 2022 Fiscal Impact Statement

**1. Bill Number:** HB85

House of Origin	<input checked="" type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
Second House	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Enrolled

**2. Patron:** Anderson

**3. Committee:** Committee Referral Pending

**4. Title:** Campaign finance; contribution limits, penalty.

**5. Summary:** Imposes contribution limits on individuals giving to campaigns, political action committees and political party committees and on campaign committees contributing to other campaign committees, political action committees, or political party committees. The bill authorizes a political party committee to keep a separate legal fund for the sole purpose of paying for legal expenses.

**6. Budget Amendment Necessary:** No.

**7. Fiscal Impact Estimates:** Preliminary; see Item 8.

**8. Fiscal Implications:** The potential impact of this bill is indeterminate.

As stand-alone legislation, the Department of Elections considers implementation of this bill as “routine,” and does not require additional funding.

The bill provides that any person or committee in violation of the contributions limits is guilty of a Class 3 misdemeanor and subject to a civil penalty equal to the amount by which a contribution exceeds the limit. Any person who knowingly subdivides contributions into smaller amounts or uses other entities as a conduit for the purpose of evading contribution limits is guilty of a Class 1 misdemeanor and subject to a civil penalty of up to two times the amount by which a contribution exceeds the limit. Civil penalties are payable to the Literary Fund. However, it is not possible to estimate either the number of civil penalties that may result or the amount of such civil penalties that may be assessed under this legislation. It is also assumed that such civil penalties would be in addition to the criminal penalties associated with Class 3 and Class 1 misdemeanors, which are as follows:

### **Misdemeanors – Class 3**

A Class 3 misdemeanor is punishable by a fine of up to \$500. All revenue collected from such fines is deposited into the Literary Fund. However, it is not possible to estimate either the number of convictions that may result or the amount of each fine that may be assessed under this legislation. Therefore, the impact of this bill cannot be determined.

**Misdemeanors – Class 1**

Anyone convicted of a Class 1 misdemeanor is subject to a sentence of up to 12 months in jail and a fine of not more than \$2,500, either or both. There is not enough information available to reliably estimate the increase in jail population as a result of this proposal.

However, any increase in jail population will increase costs to the state. The Commonwealth currently pays the localities \$4.00 a day for each misdemeanor or otherwise local-responsible prisoner held in a jail. It also funds a large portion of the jails' operating costs, e.g. correctional officers. The state's share of these costs varies from locality to locality.

However, according to the Compensation Board's most recent Jail Cost Report (November 2021), the estimated total state support for local jails averaged \$37.58 per inmate, per day in FY 2020.

- 9. Specific Agency or Political Subdivisions Affected:** Virginia Department of Elections, State Board of Elections, and localities (General Registrars and Electoral Boards).

- 10. Technical Amendment Necessary:** No.

- 11. Other Comments:** None.

Date: 1/21/2022