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FISCAL IMPACT REPORT

SPONSOR Lopez ORIGINAL DATE 2/27/17
LAST UPDATED 3/07/17 HB _____

SHORT TITLE Session Contributions to Public Officials SB 341/aSRC

ANALYST Esquibel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY17	FY18		
N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Senate Bill 341 relates to Senate Bill 72 and House Bill 10, Public Accountability Act, and conflicts with House Bill 119, Prohibition Period for Candidate Contribution.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Secretary of State's Office (SOS)
Office of the Attorney General (OAG)
State Treasurer's Office (STO)
State Land Office (SLO)

SUMMARY

Synopsis of SRC Amendments

The Senate Rules Committee amendments to Senate Bill 341 (SB341/aSRC) remove the prohibition against accepting political contributions during the prohibited period, but retain the provision that political contributions shall not be solicited during the prohibited period.

The SRC amendments remove reference to "Legislative Sessions" but continue to define the prohibited period for the Secretary of State, State Auditor, State Treasurer, Attorney General, Commissioner of Public Lands, a candidate for one of those offices, or any agent on behalf of these officials or candidates, from January 1 prior to any regular session, and in the case of a special session after the proclamation has been issued, and ending on adjournment of the regular or special session.

The SRC amendments would prohibit the Governor and Lieutenant Governor, or any agent on the Governor's or Lieutenant Governor's behalf, from soliciting political contributions beginning January 1 prior to any regular session, and in the case of a special session after the proclamation has been issued, and ending on the twentieth day following adjournment of the regular or special session.

Synopsis of Original Bill

Senate Bill 341 (SB341) would prohibit the Lieutenant Governor, Secretary of State, State Auditor, State Treasurer, Attorney General, Commissioner of Public Lands, a candidate for one of those offices, or any agent on behalf of these officials or candidates, from soliciting or accepting political contributions beginning January 1 prior to any regular session and in the case of a special session, after the proclamation has been issued, and ending on adjournment of the regular or special session.

The bill would prohibit the Governor or any agent on the Governor's behalf, from soliciting or accepting political contributions beginning January 1 prior to any regular session and in the case of a special session, after the proclamation has been issued, and ending on the twentieth day following adjournment of the regular or special session.

FISCAL IMPLICATIONS

The Secretary of State's Office (SOS) indicates it does not anticipate any fiscal impact related to the proposed legislation.

SIGNIFICANT ISSUES

The State Treasurer's Office (STO) indicates it follows a "no contribution policy" during the legislative session, whether in statute or not, so this proposal would have no impact on STO.

The Secretary of State's Office (SOS) indicates current law includes only the Governor and state legislators, as well as candidates for these offices, in the prohibited period.

ADMINISTRATIVE IMPLICATIONS

Under the provisions of the bill, the SOS notes there could be a reduction in complaints related to the prohibited period as the legislation makes clear not only soliciting, but also accepting, contributions during the prohibited period is not allowed. Current law creates some ambiguity generating complaints and varying interpretations of the law. The bill's clarifying language is viewed by the SOS as beneficial to effective enforcement of this provision of the Campaign Reporting Act.

OTHER SUBSTANTIVE ISSUES

The State Land Office (SLO) reports a moratorium on barring political contributions during legislative sessions has been ruled unconstitutional on free speech grounds in at least six states. [See *Green Party of Conn. v. Garfield*, 616 F.3d 189, 192 (2d Cir. 2010); *Ark. Right to Life State Political Action Comm. v. Butler*, 29 F. Supp. 2d 540, 550 (W.D. Ark. 1998); *Emison v. Catalano*, 951 F. Supp. 714, 716 (E.D. Tenn. 1996); *Shrink Mo. Gov't PAC v. Maupin*, 922 F.

Supp. 1413, 1414 (E.D. Mo. 1996); *State v. Alaska Civil Liberties Union*, 978 P.2d 597, 630 (Alaska 1999); *State v. Dodd*, 561 So. 2d 263 (Fla. 1990).]

The State Land Office writes, “A blanket freeze barring contributions by any individual is particularly suspect. Extending the freeze to officials such as the Commissioner of Public Lands, who is not engaged in legislating or potentially vetoing legislation, would also be particularly suspect.”

RAE/sb/jle