

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 173 – SB 234

February 9, 2019

SUMMARY OF BILL: Requires statewide political campaign committees or Party-PACs to register with the Registry of Election Finance. Establishes that any payment of such fee by a statewide political party covers any disclosed subsidiaries of such political party registering separately. Establishes that payment of a registration fee by one affiliated political campaign committee covers any disclosed affiliated committees registering separately.

ESTIMATED FISCAL IMPACT:

Increase State Revenue - \$600/Bureau of Ethics and Campaign Finance

Other Fiscal Impact – Due to a current court case, the collection of \$60,000 in registration fee revenue from 600 non-Party PACs is in jeopardy. Passage of this legislation is assumed to prevent such decrease in fee revenue.

Assumptions:

- Pursuant to Tenn. Code Ann. § 2-10-121, each multi-candidate political campaign committee, or a PAC, must be registered with the Registry of Election Finance and is required to pay a registration fee, as determined by rule of the Bureau of Ethics and Campaign Finance. All fees collected under this section must be retained and used for expenses related to a maintaining an electronic filing system.
- Pursuant to rule 0530-1-1-.07(1) of the Tennessee Registry of Election Finance, no later than January 31 of each year, each registered PAC shall pay an annual registration fee of \$100.
- Currently, pursuant to Tenn. Code Ann. § 2-10-121, no registration fee is required of a statewide political party. Due to this language, there is a court case in which non-Party PACs allege unequal treatment with the statewide political parties.
- Due to such case, the 600 non-Party PACs which normally pay the \$100 fee, or \$60,000 in total annually, is in jeopardy. Passage of this legislation is expected to preserve this current fee revenue.
- This legislation removes the exemption for six statewide political parties from statute and will require each to begin paying the \$100 fee, and will require the non-Party PACs to continue paying the \$100 fee, all of which will go to the Bureau of Ethics and Campaign Finance for maintaining the electronic filing system.

- A recurring increase in state revenue to the Bureau of Ethics and Campaign Finance of \$600 (6 Party PACs x \$100 registration fee).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jdb