HOUSE OF REPRESENTATIVES STAFF ANALYSIS

| BILL #: SPONSOR(S): TIED BILLS: | HB 61B CS Reagan | Elections IDEN./SIM. BILLS: SB 8B | | | |
|---------------------------------------|---------------------|--------------------------------------|----------------|----------|----------------|
| | REFERENCE | | ACTION AN | | STAFF DIRECTOR |
| 1) Ethics & Elections Committee | | 1 | 0 Y, 0 N, w/CS | Mitchell | Mitchell |
| 2) State Administration Council | | 8 | Y, 0 N | Mitchell | Bussey |
| 3) | | | | | |
| 4) | | | | | |
| 5) | | | | | |
| | | | | | |

SUMMARY ANALYSIS

HB 61B CS requires prior written notice to a state or county political party chairperson, or his or her designee(s) for in-kind contributions to the party. This represents a further clarification of the changes made in 2005 in HB 1567 with regard to in-kind contributions to political parties.

If enacted, the bill is effective February 1, 2006.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide Limited Government

Additional government regulation of in-kind contributions is contemplated in the bill. Specifically, the bill attempts to further regulate in-kind contributions made to state and county political parties through a prior notice requirement from the donor.

B. EFFECT OF PROPOSED CHANGES:

During the 2005 session, the Legislature amended section 106.08(6), Florida Statutes, to require that an in-kind contribution to a political party provide a "direct benefit" to the party. See ch. 2005-277, Laws of Fla. (HB 1567).¹ Direct benefit is defined as "fundraising or furthering the objectives of the political party." See s. 106.08(6), F.S.

The bill amends section 106.08(6), F.S., to further regulate in-kind contributions to state and county political parties by requiring the chairperson of the party or his or her designee(s) to accept such contributions following written notice from the donor.

The written notice must be signed and dated, and may be provided through an electronic (email) or facsimile message. The name of the party chairperson's designee(s) must be on file with the Department of State's Division of Elections (for state parties) or the county Supervisor of Elections (for county parties), as the case may be. Acceptance by the party must be acknowledged in writing by the party chairperson or designee(s) *before* the contribution is made. The bill further provides that failure to obtain the written acknowledgement constitutes rejection of an in-kind contribution by the party.

The bill contains an exception from the prior notice requirement for food and beverages not exceeding \$1,500 in the aggregate, if the contribution of such items is accepted by the party chairperson or designee(s).

Section 106.08(8), F.S., contains a civil penalty of twice the amount of any amount contributed in violation of the section, in addition to any penalty prescribed by chapter 106, Florida Statutes. A complaint would have to be filed with the Florida Elections Commission and the alleged violation would have to be knowing and willful.

The bill is effective on February 1, 2006.

C. SECTION DIRECTORY:

None.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

¹ This provision of HB 1567 is effective January 1, 2006. **STORAGE NAME**: h0061Bd.SAC.doc **DATE**: 12/5/2005

- 1. Revenues: None.
- 2. Expenditures: None.
- B. FISCAL IMPACT ON LOCAL GOVERNMENTS:
 - 1. Revenues: None.
 - 2. Expenditures: None.
- C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:
- D. FISCAL COMMENTS:

III. COMMENTS

- A. CONSTITUTIONAL ISSUES:
 - 1. Applicability of Municipality/County Mandates Provision:
 - 2. Other:
- B. RULE-MAKING AUTHORITY:
- C. DRAFTING ISSUES OR OTHER COMMENTS:

IV. AMENDMENTS/COMMITTEE SUBSTITUTE & COMBINED BILL CHANGES