

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

Date: April 2, 1998 Revised: _____

Subject: Reporting Requirements; Political Advertising

	<u>Analyst</u>	<u>Staff Director</u>	<u>Reference</u>	<u>Action</u>
1.	<u>Fox</u>	<u>Bradshaw</u>	<u>EE</u>	<u>Favorable</u>
2.	_____	_____	_____	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

Senate Bill 1428 expands the definition of "political committee" to include any group that anticipates spending more than \$500 in the aggregate per year on political advertisements in support of or opposition to an elected public official. A committee of continuous existence is prohibited from making an expenditure in support of or opposition to an elected public official, unless it first registers as a political committee. The effect of this change is to require these groups to register with the Division of Elections or the supervisor of elections and to file periodic campaign finance reports. Both the registration and filing requirements will be the same as currently provided by law with respect to political committees. Also, the bill modifies the definitions of "contribution" and "expenditure," to conform.

This bill substantially amends sections 106.011 and 106.04, Florida Statutes.

II. Present Situation:

With very few exceptions, "political advertisements" must carry a "paid for by" disclaimer indicating the person or group sponsoring the advertisement. ss. 106.071 and 106.143, F.S. (1997). A "political advertisement" is a paid expression in a communications media (other than by the spoken word in direct conversation), which supports or opposes any candidate, elected public official, or issue. s. 106.011(17), F.S. (1997).

In addition to the disclaimer requirement, political committees and committees of continuous existence ("CCEs") making expenditures for political advertising must register and file periodic campaign finance reports detailing their contribution and expenditure activities. ss. 106.03, 106.04 and 106.07, F.S. (1997). However, the statutory definitions of "political committee" and "committee of continuous existence" do not encompass groups whose sole purpose is to make

expenditures for political advertising which supports or opposes an *elected public official* and does not involve a candidate or issue. ss. 106.011(1) and 106.04(1), F.S. (1997). Therefore, although such groups have to identify their name on the advertisement's disclaimer, they do not have to file any documentation with the Division of Elections detailing the names and addresses of the principal officers of the group, the source of contributions made to the group, or expenditures made. In certain cases, the disclaimer information alone may not be sufficient to identify the affiliations or motivations of the sponsoring group.

III. Effect of Proposed Changes:

Senate Bill 1428 requires groups that anticipate spending more than \$500 per year on political advertisements in support of or opposition to an *elected public official*, or any CCE making any such expenditures without regard to amount, to: (1) register with the Division of Elections as a "political committee"; and, (2) file periodic campaign finance reports. Both the registration and filing requirements with respect to political committees under current law remains unchanged. The registration component will require the group to name its principal officers, any relationship with affiliated or connected persons or organizations, as well as other identifying information. s. 106.03(2), F.S. (1997). The filing requirement will cause the group to detail its contribution and expenditure activities. Also, the bill modifies the definitions of "contribution" and "expenditure," to conform.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

The bill will require certain groups to file as a political committee and will also require periodic filings of contribution and expenditure reports. There may be an additional record keeping cost associated with these new requirements.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.