

**Government of the District of Columbia  
Office of the Chief Financial Officer**



**Natwar M. Gandhi**  
Chief Financial Officer

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CHAIRMAN CROPP

**MEMORANDUM**

**TO:** The Honorable Linda W. Cropp  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi   
Chief Financial Officer

**DATE:** MAY -3 2005

**SUBJECT:** Fiscal Impact Statement: "Office of Campaign Finance Exploratory Committee Reporting Reform Amendment Act of 2005"

**REFERENCE:** Bill 16-179 as Introduced

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**Conclusion**

Funds are not sufficient in the FY 2005 budget or the Mayor's proposed FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed legislation. Implementing the provisions of the proposed legislation will require \$200,000 in FY 2005 and \$856,000 in FY 2005 through FY 2009.

**Background**

The proposed legislation amends the District's local campaign finance law in a manner that defines all exploratory committees and regulates their reporting requirements. The proposed amendments will require all exploratory committees to abide by current and amended law such as contribution limitations, public disclosures, and periodic reporting. An exploratory committee will have the same transparency as that of a political committee.

**Financial Plan Impact**

Funds are not sufficient in the FY 2005 budget or the Mayor's proposed FY 2006 through FY 2009 budget and financial plan to implement the provisions of the proposed legislation. Implementing the provisions of the proposed legislation will require \$200,000 in FY 2005. The Office of Campaign Finance will require additional staff and resources. The table in Figure 1 presents the estimated expenditure impact to the District's budget and financial plan.

Figure 1.

<b>Expenditure Impact to the Financial Plan</b>					
<b>(\$ in 000s)</b>					
<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>4 - Year Total</b>
\$200	\$155	\$161	\$167	\$173	\$856