

March 13, 2006

Hon. Bill Lockyer
Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

Attention: Ms. Tricia Knight
Initiative Coordinator

Dear Attorney General Lockyer:

Pursuant to Elections Code Section 9005, we have reviewed the proposed statutory initiative related to ballot measures (File No. SA2006RF0020).

Major Provisions

Under current law, individuals and committees involved in supporting or opposing ballot measures must file campaign finance information with the Secretary of State (SOS). The requirements of what types of information and when to file vary depending on the type of committee. Filings are available to the public, primarily through the SOS's Web site.

This measure requires the Legislative Analyst's Office (LAO) to categorize the "nature and interest" of individuals and committees contributing to the support or opposition of ballot measures (such as what industries made the contributions). The LAO would categorize this information a number of times throughout each election cycle, using information provided by SOS. The summary information would be included in the voter information guide, sample ballot, ballot, the LAO's Web site, and campaign advertising.

Fiscal Effect

The state would experience increased costs to implement the measure's provisions. The SOS could experience some one-time costs to modify its system of campaign disclosures in order to provide the required information to the LAO. In addition, SOS and LAO would experience increased, ongoing costs to provide the required disclosure summaries. These costs would probably be over \$100,000 annually.

Fiscal Summary. This measure would have the following fiscal impact:

- Increased state elections-related costs of probably over \$100,000 annually.

Sincerely,

Elizabeth G. Hill
Legislative Analyst

Michael C. Genest
Director of Finance