

*Colorado Legislative Council Staff*

**STATE and LOCAL  
FISCAL IMPACT**

*No State General Fund Impact*

**Drafting Number:** LLS 02-0295

**Date:** February 26, 2002

**Prime Sponsor(s):** Rep. Sinclair  
Sen. Nichol

**Bill Status:** House State Affairs

**Fiscal Analyst:** Chris Ward (303-866-5834)

**TITLE:** CONCERNING MAIL BALLOT ELECTIONS, AND, IN CONNECTION THEREWITH, PROVIDING FOR THE VERIFICATION OF SIGNATURES IN NOVEMBER COORDINATED MAIL BALLOT ELECTIONS, REQUIRING SAID SIGNATURES AND IDENTIFYING INFORMATION TO BE CONTAINED ON THE INSIDE OF THE RETURN ENVELOPE, ALLOWING WATCHERS TO OBSERVE THE PROCESSING, RECEIVING, AND COUNTING OF MAIL BALLOTS, AND REQUIRING THE APPOINTMENT OF RECEIVING AND COUNTING JUDGES IN MAIL BALLOT ELECTIONS.

<b>Fiscal Impact Summary</b>	<b>FY 2001/2002</b>	<b>FY 2002/2003</b>
<b>State Revenues</b> General Fund		
<b>State Expenditures</b> General Fund		
Cash Fund	\$143,565	\$98,000
<b>FTE Position Change</b>	0.0 FTE	0.0 FTE
<b>Other State Impact:</b> None		
<b>Effective Date:</b> 90 days after adjournment (August 6, 2002), unless a referendum petition is filed		
<b>Appropriation Summary for FY 2001/2002:</b> Department of State - \$143,565 - Department of State Cash Fund		
<b>Local Government Impact:</b> Increased election costs for counties		

**Summary of Legislation**

The bill modifies the provisions of law related to mail ballot elections. Specifically, the bill:

- requires signatures on mail ballots to be verified against signatures on file with the county clerk;
- requires signatures and identifying information to be contained on the outside of the return envelope;
- allows representatives of candidates and issues on the ballot to observe the processing and counting of mail ballots; and
- requires the appointment of receiving and counting judges for mail elections.

Election judges would be responsible for verifying signatures. If an election judge determines that the signatures do not appear to match, the judge must make copies of the signatures and forward the copies to the district attorney for investigation.

### **State Expenditures**

The bill requires election officials to compare the signature on a mail ballot with the signature on file in the county clerk's office. Since mail ballots may only be used in odd-year elections, the bill phases in the requirement for signature verification as follows:

- for the November 2003 election, officials would be required to compare only those signatures that they already have in their database;
- beginning with the 2005 election, officials must have all signatures of eligible electors on file in their database for comparison.

Currently, 19 counties use a voter registration system supported by the state. Thus, the Department of State will be required to modify this system to accommodate the requirement for signature comparison. Assuming that the requirements of the bill are implemented over two years, the modifications to the system are expected to cost \$143,565 in FY 2002-03 and \$98,000 in FY 2003-04. These costs would be paid from the Department of State Cash Fund. The components of these costs are shown in Table 1.

<b>Table 1. Estimated Costs to the Department of State under HB 1243</b>		
	<b>FY 2002/2003</b>	<b>FY 2003/2004</b>
Personal Services - contract labor	\$12,650	\$65,000
Computer Hardware & Software	\$105,000	\$0
Computer Maintenance	\$0	\$25,000
Add'l Hardware for COVRS Counties	\$13,385	\$0
Add'l Hardware and Software for Training	\$4,530	\$0
Travel Expenses	\$8,000	\$8,000
<b>Total Expenses</b>	<b>\$143,565</b>	<b>\$98,000</b>

A portion of the personal services costs identified in Table 1 would be paid to extract signatures from the Department of Revenue's driver's license database.

Under current law, the state reimburses counties for costs associated with conducting elections on statewide issues. Counties with 10,000 or less active voters are reimbursed at a rate of \$0.45 per voter; other counties are reimbursed at a rate of \$0.35 per voter. To the extent that the bill increases election costs at the local level, state expenditures will not be affected since these reimbursement levels are fixed in statute.

### **Local Government Impact**

The bill imposes a new requirement on election judges to compare signatures on ballots returned by mail with signatures on file in the clerk's office. New computer technology would be required in most county clerk offices to be able to scan signatures from ballots and electronically access existing signatures on file. In addition, the time required to compare signatures will require the hiring of additional election judges. The additional costs associated with purchasing computer hardware and software and hiring more election judges would depend on the number of mail ballots and absentee ballots cast in each county. These costs have not been estimated, but may be significant.

For the November 2003 election, officials would be required to compare only those signatures that they already have in their database. However, beginning with the 2005 election, officials must have all signatures of eligible electors on file in their database for comparison. Any costs associated with obtaining signatures in an electronic form would be paid by counties.

### **State Appropriations**

The Department of State would require an appropriation of \$143,565 from the Department of State Cash Fund for FY 2002-03.

### **Departments Contacted**

State