

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 14-0654
Prime Sponsor(s): Sen. Lundberg

Date: January 24, 2014
Bill Status: Senate SVMA
Fiscal Analyst: Lauren Schreier (303-866-3523)

SHORT TITLE: MAIL BALLOT OPT OUT

Fiscal Impact Summary*	FY 2013-2014	FY 2014-2015	FY 2015-16
State Revenue	<u>Potential fee increase.</u>		
State Expenditures	<u>\$156,560</u>	<u>\$91,194</u>	
Cash Fund	\$156,560	\$91,194	
FTE Position Change			
Appropriation Required: \$156,560 (FY 2013-14) and \$91,194 (FY 2014-15) - Dept of State			

* This summary shows changes from current law under the bill for each fiscal year.

Summary of Legislation

Under current law, all registered, active voters receive a mail ballot for elections. The bill permits new electors to opt out of receiving mail ballots and vote in person at voter service and polling centers. The bill requires that all electronic voter registration forms include a place for the voter to indicate their preferred voting method. Under the bill voters may also submit their request in written form and can reverse their decision at a later date. The bill specifies deadlines for voters to opt out of mail ballots or make changes to their preference prior to an election.

State Revenue

To the extent that the bill increases costs beyond a level that can be accommodated by the Department of State Cash Fund, business filing and other fees charged by the Department of State may need to be increased. The fee schedule for business filings and other services is set at the discretion of the Secretary of State; thus, the specific fees that may be adjusted or the potential amount of any potential fee increases cannot be estimated at this time.

State Expenditures

The bill increases costs to the Department of State by \$156,560 in FY 2013-14 and \$91,194 in FY 2014-15. These costs are summarized in Table 1 and the discussion below.

Cost Components	FY 2013-14	FY 2014-15
Information Technology Costs	\$156,560	\$74,160
Printing		\$17,034
TOTAL	\$156,560	\$91,194

Information Technology Costs - SCORE. The department is required to make changes to the online voter registration system the statewide voter registration database (SCORE), which will happen in two phases. In FY 2013-14 (current fiscal year), these programming changes require 1,520 hours of contract programming time at a rate of \$103 per hour, resulting in costs of \$156,560 in FY 2013-14. The changes are to allow the collection of voters' mail ballot opt out preferences. Based on these initial system changes, county clerks would then need to take steps to withhold mail ballots to persons opting out for the 2014 general election. The department would have costs of \$74,160 in FY 2014-15 to make further system changes to automate the process of withholding ballots from person opting out of mail ballots, which would function beginning at the 2015 election. This second phrase will require 720 hours of contract programming at a rate of \$103 per hour. Due to departmental staffing constraints, this work will need to be conducted by outside contractors.

Printing and Postage Costs. The department is also required to update and print new voter registration forms at a cost of \$17,034 in FY 2014-15.

Department of Revenue. The bill may increase costs for the Department of Revenue (DOR). The bill would require the department to modify their voter registration forms to allow voters to opt out of receiving mail ballots at the time of registration. Additional input will be sought from DOR for inclusion in a revised fiscal note.

Local Government Impact

Eight counties were surveyed, indicating a range of potential costs and savings under the bill. Potential costs and workload for county clerks include verifying voter requests concerning mail ballot preferences and entering this information in the SCORE system. Depending on the number of persons opting out of mail ballots, county clerks may have savings for mailing, printing, and postage of mail ballots. It is important to note that if a large number of voters opt out of mail ballots, potential savings could be offset by higher costs to operate voter service and polling centers, including staffing, supplies, space, and voting equipment.

Effective Date

The bill takes effect upon signature of the Governor, or upon becoming law without his signature.

State Appropriations

The bill requires an appropriation to the Department of State by \$156,560 in FY 2013-14 (current fiscal year) and \$91,194 in FY 2014-15 from the Department of State Cash Fund.

State and Local Government Contacts

State	Clerks	Counties	Municipal
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