

**STATE
FISCAL IMPACT**

Drafting Number: LLS 14-0853	Date: February 7, 2014
Prime Sponsor(s): Sen. Steadman Rep. May	Bill Status: Senate SVMA
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SHORT TITLE: INIT PETITION SIGNATURE LINE-BY-LINE VERIFICATION

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue		
State Expenditures		
FTE Position Change		
Appropriation Required: None.		

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

Summary of Legislation

Under current law, the Department of State must conduct a line-by-line signature verification for initiative petitions if the initial sample process determines that the number of valid signatures submitted is between 90 and 110 percent of the number of signatures necessary for placement on the ballot. The bill, **recommended by the Joint Budget Committee**, narrows the window that requires a line-by-line signature verification to 95 to 105 percent.

Background

In order for a statewide initiative to appear on the ballot, proponents must collect signatures from registered electors that represent at least 5 percent of the votes cast for all candidates in the previous election. The initiative proponents must submit the signed petitions to the department for verification. First, each initiative petition undergoes a random sampling process. If the random sample indicates the measure received less than 90 percent of the required total, it is deemed insufficient; if the measure received more than 110 percent of the required total, it is deemed sufficient. Random sampling costs approximately \$30,000 and line-by-line verification costs between \$75,000 and \$85,000.

In the past ten years, 40 petitions have been submitted to the department. In total, four of these petitions required a line-by-line review. Expenditures for line-by-line verification over that period totaled \$392,396.

State Expenditures

Narrowing the threshold for line-by-line signature verification from between 90 and 110 percent to between 95 and 105 percent will reduce costs for signature review by the Department of State. Under the bill, the department will likely be required to conduct fewer line-by-line signature verifications in the future. As a result, the department may incur fewer costs related to the initiative petition process. The exact amount of savings cannot be estimated, as the number of measures requiring line-by-line signature verification in any given year cannot be predicted.

Effective Date

The bill takes effect August 6, 2014, if the General Assembly adjourns on May 7, 2014, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Secretary of State