

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 14-0386	Date: January 21, 2014
Prime Sponsor(s): Rep. Singer Sen. Balmer	Bill Status: House SVMA
	Fiscal Analyst: Bill Zepernick (303-866-4777)

SHORT TITLE: OPTIONAL APPROVAL VOTING IN NONPARTISAN ELECTIONS

Fiscal Impact Summary*	FY 2014-2015	FY 2015-2016
State Revenue		
Cash Funds	Potential fee increase.	
State Expenditures	\$87,025	\$26,670
Cash Funds	79,687	22,693
Centrally Appropriated Costs**	7,338	3,977
FTE Position Change	1.0 FTE	0.5 FTE
Appropriation Required: \$79,687 - Department of State (FY 2014-15)		

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

** These costs are not included in the bill's appropriation. See the State Expenditures section for more information.

Summary of Legislation

The bill allows local governments to use approval voting in nonpartisan elections. Approval voting is a method of voting in which a voter may cast a vote for as many candidates for an office as he or she chooses and the candidate with the most votes wins. The Secretary of State is required to adopt rules for approval voting by October 1, 2014. County clerks may choose not to coordinate local elections conducted using approval voting.

State Revenue

To the extent that the bill increases costs in the Department of State, business filing and other fees to the Department of State Cash Fund may need to be increased if sufficient funds are not available to cover the costs of the bill. 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 in the Department of State by \$87,025 in FY 2014-15 and \$26,670 in FY 2015-16 and beyond. These costs, paid from the Department of State Cash Fund, are summarized in Table 1 and the discussion below.

Personal services. The Department of State requires 1.0 FTE in the first year and 0.5 FTE thereafter to implement the requirements of the bill. Duties include promulgating rules, providing guidance to local governments interested in implementing approval voting, and certifying voting systems used for casting, recording, and tabulating votes cast in elections using approval voting.

Computer programming. The Department of State requires \$29,600 to modify its election night reporting system to allow approval voting in local elections that occurs during a coordinated election to be entered into the reporting system. This cost is based on 185 hours of system design, programming, and project management work through a contracted vendor at an average rate of \$160 per hour.

Table 1. Expenditures Under HB 14-1062		
Cost Components	FY 2014-15	FY 2015-16
Personal Services	\$44,434	\$22,218
FTE	1.0 FTE	0.5 FTE
Operating Expenses and Capital Outlay Costs	5,653	475
Computer Programming	29,600	0
Centrally Appropriated Costs*	7,338	3,977
TOTAL	\$87,025	\$26,670

* Centrally appropriated costs are not included in the bill's appropriation.

Local Government Impact

Local governments that choose to conduct approval voting will likely have costs to adjust vote tabulating machines and software, notify the public of the change in voting system, and other costs. Costs will vary based on the size of the county, with small counties having costs of about \$15,000 and large counties having costs of approximately \$200,000. The use of approval voting is optional, so only jurisdictions that opt to use approval voting will incur costs.

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. The bill applies to elections conducted on or after November 1, 2014.

State Appropriations

For FY 2014-15, the bill requires an appropriation of \$79,687 from the Department of State Cash Fund to the Department of State and an allocation of 1.0 FTE.

State and Local Government Contacts

State
 County Clerks

Education
 Municipalities

Counties
 Special Districts