



**Colorado
Legislative
Council
Staff**

SB16-216

FISCAL NOTE

FISCAL IMPACT: State Local Statutory Public Entity Conditional No Fiscal Impact

Drafting Number: LLS 16-1280
Prime Sponsor(s): Sen. Lundberg

Date: May 6, 2016
Bill Status: Senate SVMA
Fiscal Analyst: Chris Creighton (303-866-5834)

BILL TOPIC: RESTORE PRESIDENTIAL PRIMARY ELECTION

Fiscal Impact Summary	FY 2016-2017	FY 2017-2018	FY 2019-20	FY 2020-2021 <i>(presidential primary year)</i>
State Revenue				
State Expenditures			\$27,810	up to \$5,062,051
General Fund			0	up to 5,054,605
Cash Funds			\$27,810	0
Centrally Appropriated Costs			0	7,446
FTE Position Change				0.6 FTE
Appropriation Required: None.				
Future Year Impacts: State expenditure increase in years with a presidential primary.				

Note: While all agencies were canvassed for this fiscal note, not all agencies responded with complete information. Therefore, this fiscal note should be considered preliminary. It will be updated if new information becomes available.

Summary of Legislation

This bill recreates a presidential primary election. The Governor must set the date of the presidential primary election by September 1, in the year preceding a presidential election. The presidential primary election must be held no later than the third Tuesday in March, but no earlier than the date set in the major party rules before which states are penalized delegates to the national party convention. The presidential primary is the only issue to be put to voters at the election. Candidates for each political party are to be listed on separate ballots. A political party may elect not to participate in a presidential primary election if written notification of the party's decision not to participate is filed with the Secretary of State (SOS) by October 1, of the preceding year. The bill specifies other details about the conduct of the election, including required notices to be given to voters, the required procedures for candidates and write-in candidates to appear on the ballot, and the order of candidates on the ballot.

The state must reimburse counties for the actual direct costs incurred to conduct a presidential primary election and the bill authorizes a General Fund appropriation for this reimbursement. The SOS will determine the type of direct costs for which counties will be entitled to reimbursement.

Background

From 1992 until 2000, the state held a presidential primary election. The state repealed its presidential primary election in 2003. The next presidential primary election will be held in 2020.

State Expenditures

The bill increases state expenditures by \$27,810 in FY 2019-20 and \$5,062,051 in FY 2020-21 as shown in Table 1. These impacts a costs are discussed below.

Table 1. Expenditures Under HB 16-216				
Cost Components	FY 2016-17	FY 2017-18	FY 2019-20	FY 2020-21 (presidential primary year)
Personal Services			\$0	\$29,458
FTE				0.6 FTE
Operating Expenses and Capital Outlay Costs			0	2,827
Computer Programming			27,810	0
Travel			0	10,000
Candidate Petition Verifications			0	12,320
County Reimbursement			0	5,000,000
Centrally Appropriated Costs*				7,446
TOTAL			\$27,810	\$5,062,051

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

Secretary of State — implementation costs. For FY 2019-20, SOS costs increase by \$27,810 to make modifications to the ballot access system. This requires 270 hours of programming time at a cost of \$103 per hour. It is assumed that these costs will be paid from the Department of State Cash Fund.

Secretary of State — presidential primary election costs. For FY 2020-21, this bill requires the General Assembly to appropriate General Funds to reimburse actual direct county presidential primary costs. Preliminarily, this reimbursement is expected to be up to \$5.0 million, subject to the SOS determination of actual direct reimbursable costs.

Additionally, staff is needed to review challenges related to candidates appearing on the presidential primary ballot, assuming one challenge per presidential primary. Staff is also needed to approve the petition format, certify candidates for the ballot, certify county reimbursements, report primary election results, and provide additional customer support. This will require \$29,458 and 0.6 FTE in presidential primary years.

To be on the ballot, a candidate must submit a petition containing 1,500 signatures. These signatures are verified by the SOS through the Integrated Document Solutions System and the verification of the signatures for the presidential primary is expected to cost \$12,320.

Election Division staff at the SOS will have travel expenses of \$10,000 in presidential election years to travel to counties and provide assistance and oversight of the presidential primary elections. This costs is based on similar costs for the existing June primary election.

It is assumed that a General Fund appropriation will be made through the annual budget process in presidential primary election years to cover these costs.

Centrally appropriated costs. Pursuant to a Joint Budget Committee policy, certain costs associated with this bill are addressed through the annual budget process and centrally appropriated in the Long Bill or supplemental appropriations bills, rather than in this bill. The centrally appropriated costs subject to this policy are estimated in the fiscal note for informational purposes and summarized in Table 2.

Cost Components	FY 2016-17	FY 2017-18	FY 2019-20	FY 2020-21 (presidential primary year)
Employee Insurance (Health, Life, Dental, and Short-term Disability)				\$4,806
Supplemental Employee Retirement Payments				2,640
TOTAL				\$7,446

Local Government Impact

Statewide, county clerks will have costs of approximately \$5.0 million to conduct an additional election during presidential election years, based on the costs counties currently incur to conduct the existing June state primary election, a mail ballot election of similar size and scope. Costs to counties will include the printing and postage for mail ballots, the operation and staffing of voter service and polling centers, and other administrative and operational costs. Counties will be reimbursed by the SOS for the actual direct costs incurred to conduct a presidential primary as determined by the Secretary of State.

Effective Date

The bill takes effect August 10, 2016, if the General Assembly adjourns on May 11, 2016, as scheduled, and no referendum petition is filed.

State and Local Government Contacts

Clerks
Department of Revenue

Counties
Secretary of State