

Fiscal Estimate - 2013 Session

Original
 Updated
 Corrected
 Supplemental

| | | |
|---|---|--------------------------|
| LRB Number 13-1763/3 | Introduction Number AB-0225 | |
| Description Various changes in the campaign finance laws; exemption of certain electors from the requirement to present proof of identification when voting in an election; identifying documentation to establish proof of residency for voter registration; recording the type of identifying document provided as proof of residence; limiting the times for voting by absentee ballot in person; the method of reporting election returns by municipalities; fees for election recounts; the method of recounting votes cast with automatic tabulating equipment; residency of election officials; recall petition requirements; the procedure for recounting ballots when electors voting in person are required to sign the poll list and fail to do so; challenging an elector's registration during recount proceedings; witness addresses on absentee ballot certificates; nominees submitted by the Government Accountability Board candidate committee; securing ballot containers; party representation for election officials serving at polling places; and scheduling of referendums | | |
| Fiscal Effect State: <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs | | |
| Local: <input type="checkbox"/> No Local Government Costs <input checked="" type="checkbox"/> Indeterminate 1. <input checked="" type="checkbox"/> Increase Costs 3. <input type="checkbox"/> Increase Revenue 5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input checked="" type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> Towns <input checked="" type="checkbox"/> Village <input checked="" type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs 4. <input type="checkbox"/> Decrease Revenue <input checked="" type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input checked="" type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts | | |
| Fund Sources Affected Affected Ch. 20 Appropriations <input checked="" type="checkbox"/> GPR <input checked="" type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS 20.511(1m) | | |
| Agency/Prepared By GAB/ Michael Haas (608) 266-8005 | Authorized Signature Sharrie Hauge (608) 266-0404 | Date 6/19/2013 |

Fiscal Estimate Narratives

GAB 6/19/2013

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|---|-----------|---------------------|---------|---------------|----------|
| LRB Number | 13-1763/3 | Introduction Number | AB-0225 | Estimate Type | Original |
| Description Various changes in the campaign finance laws; exemption of certain electors from the requirement to present proof of identification when voting in an election; identifying documentation to establish proof of residency for voter registration; recording the type of identifying document provided as proof of residence; limiting the times for voting by absentee ballot in person; the method of reporting election returns by municipalities; fees for election recounts; the method of recounting votes cast with automatic tabulating equipment; residency of election officials; recall petition requirements; the procedure for recounting ballots when electors voting in person are required to sign the poll list and fail to do so; challenging an elector's registration during recount proceedings; witness addresses on absentee ballot certificates; nominees submitted by the Government Accountability Board candidate committee; securing ballot containers; party representation for election officials serving at polling places; and scheduling of referendums | | | | | |

Assumptions Used in Arriving at Fiscal Estimate

2013 Assembly Bill 225, as originally introduced, makes several changes to state law regarding elections, campaign finance and lobbying. The bill would require changes in the Government Accountability Board's (G.A.B.'s) training, forms and manuals, public information campaign related to voter ID, the Statewide Voter Registration System (SVRS), and the Campaign Finance Information System.

The G.A.B. made the following assumptions in creating this estimate:

1. There would be an increase in political party-affiliated election inspectors (poll workers).
2. Municipalities would save money by managing fewer reporting units and consolidating the reporting of election returns.
3. Municipalities would select the recount method that is most cost effective (by-hand versus using tabulating equipment).
4. Allowing some poll workers to reside within the county would increase competition for poll workers amongst municipalities, resulting in some municipalities paying higher wages to attract quality poll workers.
5. The restriction related to recall elections would result in fewer recalls of local officials.
6. The Joint Committee on Finance would authorize funding for all five existing positions related to Voter ID as part of the 2013-2015 biennial budget.
7. Additional duties will be absorbed by existing Board staff. New staff positions will not be requested, assuming that other bills related to the administration of elections and campaign finance regulation are not enacted, and that the timing of the bill's enactment permits updating of training tools as part of the G.A.B.'s normal course of business. Additional funds would be required, however, to revise public information materials and communications.
8. The time allowed to canvass ballots would not be changed to accommodate any additional effort required by clerks and boards of canvassers to investigate Voter ID affidavits.
9. New time restrictions for in-person absentee voting may shift volume to other methods of voting such as mail-in absentee voting or voting at polling places on Election Day.
10. Some of the additional costs related to the Campaign Finance Information System could be absorbed by the existing maintenance contract between the Board and its contractor, but other components may be outside the scope of the maintenance contract.
11. Costs for IT contractors are calculated using a blended rate of \$100 per hour.

The bill creates additional detailed concepts for municipal clerks and election inspectors to learn. The

G.A.B.'s current online and in-person training of municipal clerks and chief inspectors will need to be expanded to include these new procedures and requirements. The G.A.B. has identified at least 19 new or altered requirements or procedures that would need to be incorporated into its training. The agency has also identified at least 18 forms and manuals that would need to be revised, as well as its in-person training presentations and training webinars. It is anticipated that the staff costs for revising the various materials and presentations would be \$9,450.

The bill would also require at least eight changes to the functionalities of the Statewide Voter Registration System. Developing the IT solutions, and testing and implementing those solutions would require the time of six staff members, and the total cost of completing those changes is estimated to be \$16,060.

The bill would require a change in the G.A.B.'s previously authorized public information and education campaign related to the provisions of the Photo ID Law, to educate voters of the option to present an affidavit as an alternative to photo identification. The G.A.B. retained a contractor to produce a multimedia campaign, and the cost for the contractor to update previously published materials is estimated to be \$126,000, not including the costs of airing television and radio public service ads, reprinting outdated materials or modifying printed materials with stickers. This cost cannot be absorbed within the agency's current budget. G.A.B. staff costs to coordinate and review the contractor's work is also estimated to be \$4,375.

The campaign finance and lobbying regulation provisions of the bill require both technology changes to the Campaign Finance Information System (CFIS) as well as revisions to forms, manuals, training curriculum and the G.A.B. website. Numerous forms, manuals, and training materials would need to be revised to reflect campaign finance registration and reporting thresholds and rules. Updating campaign finance forms and manuals is estimated to cost \$2100, and the IT development costs to modify CFIS are estimated to be \$32,350.

Some provisions of AB 225 would increase costs to local governmental units and other provisions would decrease local government costs. Counties and municipalities would need to purchase or print updated forms, manuals and other materials. In addition, due to the requirement of a witness to absentee voting to provide their address, municipal clerks would likely see a rise in requests for second ballots due to the failure of the witness to provide an address. In preparation, clerks would need to order more ballots resulting in higher ballot printing costs. While new requirements of the bill would be incorporated into existing training of local elections officials, attendance may be required at additional training to address changes in acceptable Proof of Residence and Voter ID documents, in-person absentee voting, residency of election inspectors, and partisan election inspector requirements and duties.

Local governments may find it necessary to employ additional office staff to administer in-person absentee voting during the condensed time frame, and also to handle the anticipated increase in by-mail absentee voting. Time spent on follow up with absentee voters whose witness did not provide an address, and the increase in rejected and reissued absentee ballots for this reason may also force additions to existing staff. Additional election inspectors may be required at the polling place to process the high volume of absentee ballots and increase in election-day voting.

The bill adds several new responsibilities to the duties performed by the Boards of Canvassers. Investigations of challenges to Election Day Registrations and the validity of ballots cast by voters who provided an affidavit in lieu of acceptable voter ID would significantly increase the time it takes to canvass an election. Additional staff may be required to assist the canvassers in the performance of their duties in order to expedite the canvass process.

The less rigorous residency requirement for election inspectors may result in municipalities competing to hire the most qualified people. In order to retain capable inspectors, local governments may need to increase wages or lose competent people to a municipality willing to pay higher wages. Cost for wages for boards of canvassers may also increase to compensate members for their additional responsibilities and time devoted to canvassing ballots.

Decreased costs to some municipalities may result from the ability to combine a ward containing 20 or fewer inhabitants with an adjacent ward for the purpose of reporting election results will reduce the number of reporting units. Fewer reporting units decreases the amount of materials needed to conduct an election and could also decrease the number of election inspectors needed. In addition, the limitation on when referendum elections may be conducted reduces costs for municipal clerks to plan for and conduct special elections solely for most referendum questions, and other costs for special elections would also be reduced.

The increase in the fee amount required of a petitioner for a recount has the effect of reducing

municipalities' costs for conducting recounts. The ability of the board of canvassers to decide to count ballots by hand at a recount may eliminate the expense of purchasing and programming new memory devices for recounts. Smaller municipalities may especially benefit from this provision. Finally, the provision that an officeholder may be recalled only if he or she has been charged with committing a crime or violating ethics law will significantly reduce the incidence of recall elections.

While it is anticipated that there would be indeterminate and on-going costs to local governmental units to implement provisions of the bill, there are multiple factors that influence the increase or decrease in costs that a given municipality or county could experience. With 72 counties and 1,852 municipalities of varying sizes, locations, and available resources, exact costs or savings to local government could not be determined at this time.

Long-Range Fiscal Implications

2013 Assembly Bill 225

Attachment to Government Accountability Board Fiscal Estimate

1. The increased costs for revising the various G.A.B. forms and training materials and presentations related to the changes in election administration are summarized in the following table:

| Activity | # of Staff | Hours | Hourly Rate | Item Total |
|---|-------------------|--------------|--------------------|-------------------|
| Update G.A.B. Forms & Manuals - Staff Cost | 2 | 80 | \$35 | \$5,600 |
| Update G.A.B. Training Presentations - Staff Cost | 1 | 60 | \$35 | \$2,100 |
| Webinar Training (new/update existing) – Staff Cost | 2 | 25 | \$35 | \$1,750 |
| Total | | 270 | \$35 | \$9,450 |

2. The following G.A.B. staff time and contracted IT services are estimated to be needed to complete changes to the Statewide Voter Registration System:

| Role | Hourly Rate | Hours | Cost |
|------------------------|--------------------|--------------|-----------------|
| Business Analyst | \$100 | 40 | \$4,000 |
| Project Manager | \$100 | 40 | \$4,000 |
| Application Developer | \$100 | 40 | \$4,000 |
| Database Administrator | \$100 | 20 | \$2,000 |
| UAT Tester | \$35 | 40 | \$1,400 |
| SVRS Training Officer | \$33 | 20 | \$660 |
| Total | | 180 | \$16,060 |

3. The following table outlines estimated costs for the G.A.B.'s public information contractor to update previously published materials related to the Photo ID Law, as well as create new materials based on provisions of AB 225. These cost estimates are for production and do not include the costs of airing TV and radio ads, reprinting outdated materials or modifying printed materials with stickers.

| Activity | Estimated Cost |
|---|-----------------------|
| TV Advertisements | \$42,000 |
| Radio Advertisements | \$8,000 |
| Print Advertisements | \$14,500 |
| Videos | \$25,000 |
| Website Additions | \$13,000 |
| Print Collateral (postcards, palm cards, brochures) | \$20,000 |
| Toll-Free Phone Script/Recording | \$1,000 |
| Texting Program | \$3,000 |
| Total | \$126,500 |

G.A.B. staff would be involved in coordinating with the contractor and reviewing materials, as well as making changes to other voter education materials. The costs for these efforts are summarized in the following table.

| Activity | # of Staff | Hours | Hourly Rate | Item Total |
|---|-------------------|--------------|--------------------|-------------------|
| "Bring It to the Ballot" Campaign Updates | 5 | 20 | \$35 | \$3,500 |
| Voter Educational Material Updates | 5 | 5 | \$35 | \$875 |
| Total | | 25 | \$35 | \$4,375 |

4. The following table summarizes the costs of revising campaign finance forms, manuals and training materials, as well as costs of developing IT solutions to required changes in the Campaign Finance Information System.

| Activity | # of Staff | Hours | Hourly Rate | Item Total |
|---|-------------------|--------------|--------------------|-------------------|
| Update G.A.B. Forms & Manuals - Staff Cost | 1 | 40 | \$35 | \$1,400 |
| Update G.A.B. Training Materials - Staff Cost | 1 | 20 | \$35 | \$700 |
| IT Costs – Staff Cost | 1 | 10 | \$35 | \$350 |
| IT Costs – Contractor | 1 | 320 | \$100 | \$32,000 |
| Total | | 390 | | \$34,450 |

Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

Original
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 Corrected
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| | | |
|---|--|---------------|
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| I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect): Assembly Bill 225 would require estimated one-time costs of \$190,835 to modify and create forms and training materials, and to develop IT changes to the functionalities of the Statewide Voter Registration System and the Campaign Finance Information System. Of this amount, \$18,335 is attributed to salaries and fringes, and \$172,500 to other costs. Of the estimated \$190,835 in costs, GPR costs are estimated to be \$174,530, costs using federal funds are estimated to be \$16,060, and program costs are estimated to be \$245. | | |
| II. Annualized Costs: | Annualized Fiscal Impact on funds from: | |
| | Increased Costs Decreased Costs | |
| A. State Costs by Category | | |
| State Operations - Salaries and Fringes | \$ | \$ |
| (FTE Position Changes) | | |
| State Operations - Other Costs | | |
| Local Assistance | | |
| Aids to Individuals or Organizations | | |
| TOTAL State Costs by Category | \$ | \$ |
| B. State Costs by Source of Funds | | |
| GPR | | |
| FED | | |
| PRO/PRS (Lobbying admin.) | | |
| SEG/SEG-S | | |
| III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.) | | |
| | Increased Rev | Decreased Rev |
| GPR Taxes | \$ | \$ |
| GPR Earned | | |
| FED | | |
| PRO/PRS | | |
| SEG/SEG-S | | |
| TOTAL State Revenues | \$ | \$ |

NET ANNUALIZED FISCAL IMPACT

| | <u>State</u> | <u>Local</u> |
|----------------------------------|------------------------------|--------------|
| NET CHANGE IN COSTS | \$ | \$ |
| NET CHANGE IN REVENUE | \$ | \$ |
| | | |
| Agency/Prepared By | Authorized Signature | Date |
| GAB/ Michael Haas (608) 266-8005 | Sharrie Hauge (608) 266-0404 | 6/19/2013 |