Department of Legislative Services

Maryland General Assembly 2024 Session

FISCAL AND POLICY NOTE First Reader

House Bill 1514 Ways and Means (Delegate Fair)

Elections - Ranked-Choice Voting - Contests for Presidential Nomination

This bill authorizes the State Board of Elections (SBE) – notwithstanding any other provision of the Election Law Article – to use ranked-choice voting to conduct a contest for the nomination by a political party of a candidate for the office of President of the United States, beginning with the 2028 statewide primary election.

Fiscal Summary

State Effect: If ranked-choice voting is used for the 2028 statewide primary election, general fund expenditures increase by \$501,000 in FY 2027 and by \$1.9 million in FY 2028. Revenues are not affected.

| (in dollars) | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 |
|----------------|---------|---------|-------------|---------------|---------|
| Revenues | \$0 | \$0 | \$0 | \$0 | \$0 |
| GF Expenditure | 0 | 0 | 501,000 | 1,861,000 | 0 |
| Net Effect | \$0 | \$0 | (\$501,000) | (\$1,861,000) | \$0 |

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate increase; (-) = indeterminate decrease

Local Effect: If ranked-choice voting is used for the 2028 statewide primary election, local government expenditures increase, collectively, by \$100,000 in FY 2027 and by \$1.6 million in FY 2028. Revenues are not affected.

Small Business Effect: Minimal.

Analysis

Bill Summary:

"Ranked-choice Voting" Definition

"Ranked-choice voting" means a method of casting and tabulating votes in which voters rank candidates in order of preference and votes are tabulated in a manner that reflects voter preference.

Voter Education Campaign

If ranked-choice voting is used (to conduct a contest for the nomination by a political party of a candidate for the office of President of the United States), SBE must (1) develop and pay the cost of a voter education campaign to inform voters about ranked-choice voting and (2) share the voter education campaign with the local boards of elections.

Reporting Requirement

If ranked-choice voting is used, SBE must submit, by January 1, 2029, a report to the Governor and the General Assembly that includes (1) a review of the use of ranked-choice voting during the 2028 statewide primary election and (2) recommendations regarding the implementation and expansion of ranked-choice voting in future elections. The report must be distributed to the local boards and posted on SBE's website.

Current Law:

Uniform Election Process

State election law, which generally governs all elections except municipal elections (other than in Baltimore City), requires that the electoral process for primary elections, general elections, and special elections be uniform, except where it would be inappropriate, or where exceptions are provided for in the law.

Voting/Tabulation Method

Generally, in elections governed by State election law, voters are able to choose in each race a number of candidates equal to the number of offices being filled in that race (e.g., one candidate in a State Senate race and three candidates in some House of Delegates races), and the winners are nominated or elected based on which candidates receive the greatest number of votes.

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State and Local Expenditures: If ranked-choice voting is used for the presidential contests during the 2028 statewide primary election, State and local expenditures increase, as shown in **Exhibit 1**. State general fund expenditures increase by \$501,000 in fiscal 2027 and by \$1.9 million in fiscal 2028. Local government expenditures increase, collectively, by \$100,000 in fiscal 2027 and by \$1.6 million in fiscal 2028.

This estimate assumes that work is begun, to implement the bill, in fiscal 2027 to make modifications to SBE's election management system, and to develop ranked-choice voting tabulation software, with the assistance of a subject matter expert or experts. However, the majority of costs of implementing the bill occur in fiscal 2028, when the 2028 statewide primary election occurs. The estimate:

- makes certain assumptions about the allocation of costs between SBE and the local boards of elections, generally consistent with current cost-sharing;
- assumes the presidential race will be on a separate ballot card from other contests being voted on in the 2028 statewide primary elections (resulting in increased ballot costs); and
- assumes additional resources are needed at high-volume polling places to mitigate additional time added to the voting process by ranked-choice voting.

It is assumed SBE can prepare the required report with existing resources.

| State and Local Expenditures | | | | | |
|-------------------------------|---|-----------|-------------|--|--|
| | Cost Category | FY 2027 | FY 2028 | | |
| State (General Funds) | Election Management System Modification | \$300,000 | \$300,000 | | |
| | Tabulation Software | 100,000 | 100,000 | | |
| | Subject Matter Expert(s) | 101,000 | 101,000 | | |
| | Other Contractual Services | | 64,000 | | |
| | Voter Outreach | | 500,000 | | |
| | Increased Paper Ballot Costs | | 443,000 | | |
| | Additional Voting Equipment | | 353,000 | | |
| | Total | \$501,000 | \$1,861,000 | | |
| Local | Tabulation Software | \$100,000 | \$100,000 | | |
| | Other Contractual Services | | 49,000 | | |
| | Increased Paper Ballot Costs | | 443,000 | | |
| | Increased Specimen Ballot Costs | | 88,000 | | |
| | Additional Voting Equipment | | 353,000 | | |
| | Additional Election Judges | | 105,000 | | |
| | Increased Election Staff Costs | | 206,000 | | |
| | Increased Voting Equipment Testing | | 284,000 | | |
| | Total | \$100,000 | \$1,628,000 | | |
| Source: Department of Legisla | tive Services | | | | |

Exhibit 1 State and Local Expenditure

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Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: None.

Information Source(s): Baltimore City; Allegany, Harford, Howard and Prince George's counties; Maryland State Board of Elections; Department of Legislative Services

Fiscal Note History: First Reader - March 12, 2024 km/sdk

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