

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

Senate Bill 233 (Senator Pinsky)
Economic and Environmental Affairs

Elections - Instant Runoff Method of Voting

This bill alters the method of voting for statewide elections. It establishes an instant runoff method for casting and tabulating votes in statewide elections.

Fiscal Summary

State Effect: \$34,180 general fund expenditure increase in FY 2002 for a new permanent staff position. Future year expenditure estimates are annualized, adjusted for inflation, and reflect ongoing operating expenses.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	34,180	40,972	43,287	45,767	48,427
Net Effect	(\$34,180)	(\$40,972)	(\$43,287)	(\$45,767)	(\$48,427)

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

Local Effect: Potential significant expenditure increase for replacement of current voting systems. ***This bill imposes a mandate on a unit of local government.***

Small Business Effect: None.

Analysis

Bill Summary: The bill allows voters to rank their candidate choices according to preference. If no candidate receives a majority of a voter's first choice preference, ballots are recounted to determine a voter's second choice. Ballots are counted in successive

rounds until a candidate receives a majority of votes in a round. The candidate with the least amount of votes in a round is eliminated.

Current Law: All elections for State and federal office require a plurality of votes to win. Currently, there is no requirement for candidates to receive a majority of all votes cast in an election.

State Fiscal Effect: General fund expenditures could increase by an estimated \$34,180 in fiscal 2002, which accounts for the bill's October 1, 2001 effective date. This estimate reflects the cost of hiring one administrative aide to develop and implement new procedures and guidelines for conducting elections with a preference ballot, and to handle inquiries about the new voting system and coordinate a voter education program. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses

Salary and Fringe Benefits	\$29,212
Operating Expenses	<u>4,968</u>
Total FY 2002 State Expenditures	\$34,180

Future year expenditures reflect: (1) full salaries with a 6.5% increase in fiscal 2003 and a 4.5% increase each year thereafter, with 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Local Fiscal Effect: The bill would require all local boards of election to revise their ballot styles to accommodate candidate ranking. It would also require them not to declare any candidate a winner unless he or she received a majority of the votes cast. While the total cost of obtaining new voting systems and ballots statewide are unknown, local government expenditures could increase significantly since most local jurisdictions do not currently have the voting equipment to accommodate a ranked ballot. Costs will vary throughout the State. Montgomery County advises that the bill will cost at a minimum \$600,000 per election, which reflects retooling, software updates, and operating costs. Prince George's County advises that the cost of a new voting system to accommodate instant runoff voting could be \$7 million. Baltimore City advises that it would incur some software retooling costs, but could not make a cost estimate without additional information concerning the number of election contests that would require ranked voting. As a point of reference, Baltimore City recently installed a new electronic voting system at a cost of about \$6.5 million.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): State Board of Elections, Baltimore County, Montgomery County, Prince George's County, Department of Legislative Services

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jm/jr

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