Department of Legislative Services

Maryland General Assembly 2001 Session

FISCAL NOTE Revised

House Bill 1457

(Delegate Arnick, *et al.*) (Special Committee on Voting Systems and Election Procedures in Maryland)

Commerce and Government Matters

Economic and Environmental Affairs

Election Law - Uniform Statewide Voting Systems

This bill requires the State Board of Elections, in consultation with local election boards, to select and certify a uniform statewide voting system for polling places and absentee voting. The bill: (1) suspends the prohibition on the use of mechanical lever machines until a statewide voting system is developed and implemented; (2) requires the State Board of Elections to issue regulations necessary to assure that provisions of the bill are maintained; (3) requires a county to pay its share of one-half of the State's cost of acquiring and operating the voting system based on the county's voting age population; (4) provides for a 50% allocation between the State and counties of any federal funds received for voting systems improvement; (5) requires any voting system selected by the State board to be capable of creating a paper record of all votes cast; and (6) exempts counties that have purchased a voting system within the last ten years from implementing the statewide system until July 1, 2006.

Fiscal Summary

State Effect: The State budget includes \$2.0 million towards the cost of a statewide system and \$100,000 for training and related costs for the State Board of Elections, which is contingent upon enactment of this legislation or SB 833. The fiscal impact of the bill in future years would be determined by the cost and structure of any purchase or lease agreement entered into by the State Board of Elections. Cost estimates indicate that future annual expenditures would exceed the initial \$2.0 million allotted for the cost of a statewide voting system.

(in dollars)	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	2,100,000	-	-	-	-
Net Effect	(\$2,100,000)	\$0	\$0	\$0	\$0

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

Local Effect: Significant increase in expenditures for local jurisdictions. *This bill imposes a mandate on a unit of local government.*

Small Business Effect: None.

Analysis

Current Law: There is no uniform statewide voting system. The State Board of Elections is required by law to certify and decertify voting systems of local jurisdictions. Allegany, Dorchester, and Prince George's counties used the mechanical lever voting machine in the 2000 election. These machines will be decertified on January 1, 2002.

Background: This bill is the result of the Governor's Special Committee on Voting Systems and Election Procedures, which submitted its recommendations in February 2001. The recommendations address concerns arising from the 2000 presidential election regarding uniformity in voting systems among local jurisdictions in a state. There are currently five states with statewide voting systems: Alaska, Hawaii, Oklahoma, Rhode Island, and Delaware.

State Fiscal Effect: A statewide uniform voting system would require significant expenditure increases for the State. The total increase cannot be reliably estimated at this time because it is not known what kind of voting system would be chosen by the State board. The State budget includes \$2.0 million towards the cost of a statewide voting system and \$100,000 for training and related costs. The budget increase is contingent on enactment of SB 833 and/or HB 1457. The \$2 million would be distributed by the State board to local jurisdictions in the form of a grant.

The State board advises that it developed a cost estimate for an electronic, touch-screen voting system in December 2000, which included leasing versus purchase costs per county. According to this estimate, the total cost to purchase the system statewide would be \$36,890,000. Alternatively, total annual lease payments would be \$5,809,590. Total annual maintenance costs would be \$858,000. These cost estimates represent only one specific type of voting system and the annual maintenance costs associated with that system. It does not include warehousing costs, the costs of special voting units for handicapped voters, and delivery costs. Warehousing costs for some computerized systems would include the costs of required special climate controlled storage space.

The State board also advises that actual costs of a new system would likely be greater than the 2000 estimate due to the high demand for new voting systems after last year's presidential election and the limited supply of independently certified systems. The State would recover a portion of the total costs through the cost-sharing component of the bill, but it would not recover costs from counties that have purchased a voting system within the preceding ten years and before December 31, 2000 until after July 1, 2006 or when that county implements the statewide system, whichever is sooner.

Local Fiscal Effect: A county that has not purchased a voting system in the past ten years would be required to pay its share of one-half of the State's total costs. An individual county's share of the cost would be based upon voting age population in that county. Other counties would be exempted according to the provisions mentioned above. Those jurisdictions that have purchased a voting system within the past ten years and would be exempted under the bill are Baltimore City and Caroline and Cecil counties. Thus, most counties would be required to share the costs of a statewide system with the State board immediately.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): State Board of Elections, Office of the Secretary of State, National Election Administration, Montgomery and Washington counties, Department of Legislative Services

Fiscal Note History:	First Reader – March 22, 2001
ncs/jr	Revised – House Third Reader – April 5, 2001
	Revised – Enrolled Bill – May 15, 2001
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Analysis by: Michelle L. Davis

Direct Inquiries to: John Rixey, Coordinating Analyst (410) 946-5510 (301) 970-5510