

Department of Legislative Services  
Maryland General Assembly  
2005 Session

FISCAL AND POLICY NOTE

Senate Bill 63 (Senator Dyson, *et al.*)  
Education, Health, and Environmental Affairs

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Election Law - Voting Systems - Independent Verification of Accuracy

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This bill requires that any voting system certified by the State Board of Elections (SBE) include or accommodate a methodology for the independent verification of the accuracy of a voting system, which may include (1) a voter verifiable paper record of the ballot that can be randomly audited by election officials; or (2) other voter verifiable audit technology. The Governor must allocate resources required to implement the voter system verification provisions, except that federal funds received pursuant to the Help America Vote Act 2002 (HAVA) may not be used. The voting system requirements are effective for each election occurring on or after November 1, 2005.

The bill is effective July 1, 2005.

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Fiscal Summary

**State Effect:** Expenditures could increase significantly to upgrade the current statewide voting system. For a paper record system, general fund expenditures could increase by \$28.5 million in FY 2006. The cost of alternative technologies cannot be reliably quantified because essential data regarding acquisition costs is unavailable.

**Local Effect:** None. Uncodified bill language requires the Governor to allocate the resources necessary to implement this bill.

**Small Business Effect:** None.

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## Analysis

**Current Law:** HAVA requires all voting systems beginning January 1, 2006 to (1) permit voters to verify their selections on the ballot, notify them of overvotes, and permit them to change their vote and correct any errors before casting the ballot; and (2) be capable of producing a permanent paper record for the voting system that can be manually audited and is available as an official record for recounts. However, HAVA does not require that a paper record be produced for each voter at the polling place.

State law provides that SBE may not certify a voting system unless it determines that the voting system will (1) protect the secrecy of the ballot; (2) protect the security of the voting process; (3) count and record all votes accurately; (4) accommodate any ballot used in the State; (5) protect all other rights of voters and candidates; and (6) be capable of creating a paper record of all votes cast in order that an audit trail is available in the event of a recount.

A county is required to pay its share of one-half of the State's cost of acquiring and operating the uniform statewide voting systems for voting in polling places and for absentee voting. A county's share of the cost of acquiring and operating the uniform statewide voting systems is based upon the county's voting age population.

**Background:** Chapter 564 of 2001 required SBE to select a uniform statewide voting system for voting at polling places. SBE entered into a \$55 million contract to purchase over 16,000 electronic touchscreen voting units and services from Diebold Election Systems in January 2002. All local jurisdictions with the exception of Baltimore City implemented this voting system for the March 2004 presidential primary election. Any upgrade to the current voting system must also undergo a State certification test as well as independent testing and validation at the local level to verify the functionality of the entire voting system.

**State Fiscal Effect:** The State would bear the entire cost of implementing the bill's provisions since the bill requires the Governor to allocate the resources required. Under current law, the State currently is responsible for 50% of the cost of the current statewide voting system; local governments must pay their proportionate share of the remaining 50% according to voting age population.

Because the bill does not permit implementation using federal funds under HAVA, the cost for upgrading the current voting system with any type of verification technology would require a significant increase in general fund expenditures.

The bill could require the use of technology that is currently in the development stage. While a voter verifiable paper record system of printers is one option to implement the bill, other voter verifiable audit technology could be used as well. If the printer option is used, general fund expenditures could increase by an estimated \$28.5 million in fiscal 2006, mostly to cover the cost of the printers and additional voting units which would be needed to accommodate the increased voting time per individual voter. Out-year expenditures could also increase by an average of \$1.4 million for warehousing and support costs.

The costs of using an alternative technology cannot be reliably estimated due to the unavailability of pricing information from vendors. Some of the alternative technologies are still in the development stage and have not been acquired for any governmental election. One technology involves providing a voter with an encrypted receipt which does not indicate who they have voted for on its face, but can be used later to confirm the voter's actual selections using the Internet along with the codes on the receipt. Election officials are also able to verify electronic results with the encrypted results. Another technology works much like a VCR and is connected to a voting unit by a single cable. It captures and records the entire voting transaction on the screen of a voting unit, digitizes it, and creates a separate set of results from which election officials may verify the vote.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Calvert County, Caroline County, Howard County, Montgomery County, Prince George's County, Maryland State Board of Elections, Department of Legislative Services

**Fiscal Note History:** First Reader - January 31, 2005  
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