

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

Senate Bill 706 (Senator Madaleno, *et al.*)
Education, Health, and Environmental Affairs

Referendum Petitions

This constitutional amendment modifies requirements governing the earliest date a law other than an emergency law may take effect and the date by which petitions must be submitted to refer a law or part of a law to a vote of the people and prevent the law or part of a law from taking effect until 30 days after its approval by the voters. In addition, the constitutional amendment requires laws passed on or after June 1 in an election year, but on or before the day of the general election, to be submitted to referendum at the second election after the passage of the law. Lastly, the signature requirements for referendum petitions are increased.

Fiscal Summary

State Effect: If the constitutional amendment is adopted, general fund expenditures may increase for the State Board of Elections (SBE), beginning in FY 2015, to the extent SBE incurs costs to assist local boards of elections with signature verification and such costs are not billed to the local boards of elections. The extent of any costs cannot be quantified at this time.

Local Effect: Local government expenditures may increase for increased personnel and computer equipment costs to verify petitions and any SBE costs billed to the local boards.

Small Business Effect: None.

Analysis

Bill Summary: Under the constitutional amendment, a law enacted by the General Assembly may not take effect until 90 days after it is passed unless it is passed as an emergency law. If a petition for a law or part of a law to be submitted to referendum is filed within 60 days of passage of the law or part of a law, the law does not take effect until 30 days after its approval by the voters. Provisions allowing for the effective date of a law, and the time for filing the full number of signatures required for a referendum petition, to be extended by 30 days if more than one-third of the number of required signatures is filed with the Secretary of State by the original deadline, are repealed.

If sufficient referendum petitions are filed against a law or part of a law that is passed on or after June 1 but on or before the day of the general election in a year in which members of the U.S. House of Representatives are elected, the law or part of a law is referred to referendum at the second election for members of the U.S. House of Representatives after its passage.

The constitutional amendment requires that a referendum petition be signed by 5% of the number of qualified voters of the State, calculated on the date the law or part of a law is passed, rather than a number of qualified voters equal to 3% of the number of votes cast for Governor at the last preceding gubernatorial election, the current requirement.

For a petition to refer a public local law for any one county or Baltimore City, the referendum petition must be signed by 10% of the qualified voters in the jurisdiction, rather than a number of qualified voters equal to 10% of the number of votes cast in that jurisdiction for Governor at the last preceding gubernatorial election, the current requirement.

Current Law: Under the Maryland Constitution, a law other than an emergency law may not take effect until June 1 after the session at which it is passed. If a referendum petition is filed with the Secretary of State before June 1, the law is referred to a vote and does not take effect until 30 days after its approval by “a majority of electors voting thereon” at the next election held throughout the State for members of the U.S. House of Representatives. Also, if more than one-third, but less than the full number of required signatures for a referendum petition are filed by June 1, the time for the law to take effect and for filing the remainder of signatures is extended to June 30.

Special provisions apply to laws passed less than 45 days prior to June 1. Such laws may not take effect sooner than 31 days after passage. A referendum petition must be submitted within 30 days of the law’s passage and submission of one-third of the required number of signatures allows for a 30-day extension of the effective date and the time for filing the remainder of the signatures.

A petition for a statewide referendum is sufficient if it is signed by a number of qualified voters equal to 3% of the number of votes cast for Governor at the last preceding gubernatorial election, provided not more than half are residents of Baltimore City or of any one county. A petition for a referendum of a public local law for any one county or Baltimore City is sufficient if it is signed by a number of qualified voters in that jurisdiction equal to 10% of the number of votes cast in the jurisdiction for Governor at the last election.

Background: There were three statewide ballot questions regarding laws that had been petitioned to referendum in Maryland during the 2012 elections. The referendum (also called a popular referendum, as opposed to a legislative referendum where a legislature refers a law to the voters for approval) is a lesser used tool nationally than citizen initiatives, in which a law originates from a citizen petition. In the 2012 general election, there were 12 popular referenda and 42 citizen initiatives nationwide. According to the National Conference of State Legislatures, the popular referendum is available to voters in 23 states.

State Fiscal Effect: If the constitutional amendment is adopted, general fund expenditures may increase for SBE beginning in fiscal 2015, for SBE to assist local boards of elections with verification of referendum petitions. Based on the number of registered voters in the State as of December 2012 and the number of votes for Governor in the 2010 gubernatorial election, the bill's change to the signature requirement for statewide referendum petitions more than triples the number of signatures required to be collected (increasing the number of signatures from 55,700 to 188,000), and, on average, almost doubles the number of signatures required for a referendum on a public local law. State law requires the verification and counting of validated signatures on a petition to be completed within 20 days after the petition is filed.

The Secretary of State delivers a petition to SBE which in turn distributes the respective portions of the petition to local boards to verify the signatures. SBE assists counties with signature verification when needed and may incur costs to provide that assistance as a result of the increased number of signatures for a referendum petition under the constitutional amendment. The extent of any costs, however, cannot be quantified at this time and presumably may be billed to the local boards, reducing or eliminating any general fund expenditure increase.

Local Fiscal Effect: Local government expenditures may increase in some jurisdictions for increased personnel costs, and in some cases computer equipment costs, to verify increased numbers of signatures for a referendum petition within the 20-day required timeframe. In Wicomico County, for example, costs may increase initially by \$4,500 for two temporary workers (\$2,500) and two additional computers (\$2,000), to complete verification of signatures of voters in the county for a statewide referendum.

Local government expenditures may also increase to the extent any SBE costs to assist with signature verification are billed to the local boards.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): State Board of Elections; Allegany, Harford, Montgomery, Talbot, and Wicomico counties; Baltimore City; Department of Legislative Services

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