



Maryland

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HOUSE BILL 1038 State Board of Elections – Membership, Contract Management, Ballot Drop Boxes, and Voting System Financing (Palakovich Carr)

STATEMENT OF INFORMATION

DATE: March 9, 2021

COMMITTEE: House Ways & Means

SUMMARY OF BILL: HB 1038 alters the membership of the State Board of Elections and Board qualifications; requires the State Board to review and vote on each contract with a value of \$50,000 or more; requires the State Administrator of Elections to report contracts, contract renewals, and change orders to the State Board; and requires the State to assume 100% of specific costs that have historically been funded jointly (50-50) with the local jurisdictions or 100% by the local jurisdictions.

EXPLANATION: HB 1038 results in a significant decrease in the amount that the local governments contribute to election costs and shifts those costs for specified items to the State. The current 50-50 split of State-local costs for elections was enacted in Chapter 564 of 2001 in the aftermath of the 2000 presidential election. In 2001, the Special Committee on Voting Systems and Election Procedures in Maryland recommended a uniform statewide voting system and the current 50-50 split of the costs. Previously, local jurisdictions had different types of voting systems and local governments paid 100% of the costs for their voting systems.

SB 747 would shift the following specific components to 100% State responsibility: (1) statewide voter education campaigns; (2) statewide database management; (3) member fees for national voter registration database services; and (4) software licensing fees. Currently most of these costs are shared equally between the State and local jurisdictions. The online suite of voter services, the voter registration software and systems are currently funded 100% by the local jurisdictions.

Currently costs for the electronic pollbooks, the post-election ballot tabulation audit, Agency Election Management System (AEMS), and inventory system are split 50-50 between the state (General Funds) and the local jurisdictions (Special Funds). Costs for these items would shift entirely to the State if this bill passes.

The largest cost to the State would be the funding of the databases and systems for voter registration and voter services. It is estimated that \$7.97 million would become a new responsibility for the State in FY 2022 if this bill is enacted. In addition, \$2.2 million for software licensing fees would become the State's responsibility in FY 2022.

**For additional information, contact Barbara Wilkins at
(410) 260-6371 or barbara.wilkins1@maryland.gov**