

## Department of Planning and Budget 2013 Fiscal Impact Statement

**1. Bill Number:** SB743

**House of Origin**    ☒ Introduced    ☐ Substitute    ☐ Engrossed  
**Second House**    ☐ In Committee    ☐ Substitute    ☐ Enrolled

**2. Patron:** Miller, J.C.

**3. Committee:** Privileges and Elections

**4. Title:** Absentee voting; application by electronic mail or other electronic means.

**5. Summary:** Provides that the State Board of Elections shall implement a system to accept absentee ballot applications electronically. Currently, an applicant may request and receive an absentee ballot application electronically but may not submit the completed application electronically. The bill further provides that any applicant for an absentee ballot may request that the ballot materials be sent to him by electronic transmission.

**6. Budget Amendment Necessary:** Yes. Item 87

**7. Fiscal Impact Estimates:** Indeterminate. See Item 8.

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2014	\$25,000	0	GF

**8. Fiscal Implications:** State Board of Elections (SBE) indicates that this legislation will have an impact on local governments who are responsible for sending, receiving, and counting absentee ballots. To meet the requirements of this legislation, localities would need to hand count emailed ballots when they are returned by postal mail unless new technology is acquired to enable electronic counting and scanning of the ballots.

SBE indicates that with appropriate authorizing legislation, one solution is to use a process known as ballot duplication where a voter marks their ballot online and prints it off. The printed ballot is marked with a barcode that contains the voter's selections. Once the completed ballot is received by the local general registrar, they will scan the barcode using a computer and a "zero-margin" printer would then print off a marked machine readable version of the ballot. This duplicated ballot would then be placed into the optical scan ballot box and would be counted. Based on previous research by SBE on zero margin printers, the agency has determined that these printers can range in price from \$2,500 - \$100,000, depending on the features. SBE estimates that the printers, scanners, software, and training could cost each locality approximately \$12,500. However, SBE indicates the exact cost is indeterminate at this time because localities use many different voting equipment systems. Therefore, there will not necessarily be a single zero-margin printer and software solution that meets every locality's needs. Assuming a cost of \$12,500 per

locality, the statewide cost would be \$1,662,500. (\$12,500 \* 133 localities). This technology would have the added benefit of providing all localities with ballot on demand capacity to help assure absentee ballot readiness.

Offsetting the initial investment, increasing use of email to send ballots can be expected to result in significant recurring cost savings to localities in each election. These local cost savings could approach \$300,000 per election. These potential cost savings arise chiefly from avoided postage costs and printing costs for registrar offices. Whereas ballots to military and overseas voters could be sent free of postage (other than certificate of mailing costs), mailing ballots to regular domestic voters requires full first-class postage plus a certificate of mailing: a total per ballot cost estimated at \$1.85, in contrast to emailing a ballot that takes only minutes using existing technology infrastructure—essentially no cost considering that email capacity to send ballots must be maintained to serve UOCAVA voters. Among deployed military and overseas voters currently eligible to request ballots sent by email, over half selected that option in 2012, with 19,515 sent by email out of 35,059, according to preliminary SBE statistics. Applying this percentage to stateside voters who returned approximately 167,000 ballots by mail in 2012, emailing 92,000 ballots annually could save localities over \$170,000 each statewide election, with similar savings on local election costs.

With respect to the SBE, the agency indicates that there will be some changes that are necessary for the statewide voter registration system to ensure that ballots are not duplicated more than once and to assist in the tracking of the ballots for reporting. Also, the ballot delivery solution already in place will require some minor changes and possibly some additional bandwidth to accommodate the higher volume usage forecast. Finally, the cost for training and configuration at the state level is estimated to be \$25,000. All are one-time costs. SBE cannot absorb the \$25,000 cost.

**9. Specific Agency or Political Subdivisions Affected:** State Board of Elections and local general registrars

**10. Technical Amendment Necessary:** n/a

**11. Other Comments:** None

**Date:** 1/15/13

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