

AMENDMENTS TO SENATE BILL NO. 48

Sponsor: SENATOR HUGHES

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1 Amend Bill, page 1, by inserting between lines 13 and 14

2 D. Voting System Procurement Funding

3 Amend Bill, page 2, by inserting between lines 4 and 5

4 "Account." The Voting System Procurement Account established
5 under section 3134 (relating to Voting System Procurement
6 Account).

7 "Associated allowable expenditures." As follows:

8 (1) The following costs associated with a voting system:

9 (i) Servers and software.

10 (ii) Delivery, installation, configuration and
11 testing.

12 (iii) Warranties and software licenses purchased at
13 the time of initial acquisition with a term of at least
14 five years.

15 (2) The term does not include:

16 (i) Costs associated with training.

17 (ii) Additional costs associated with operating,
18 servicing, maintaining or insuring a voting system.

19 "Authority." The Pennsylvania Economic Development Financing
20 Authority.

21 "Department." The Department of State of this Commonwealth.

22 Amend Bill, page 2, by inserting between lines 8 and 9

23 "Financing law." The act of August 23, 1967 (P.L.251,
24 No.102), known as the Economic Development Financing Law.

25 Amend Bill, page 2, by inserting between lines 13 and 14

26 "Voting systems." Voting machines and associated allowable
27 expenditures.

28 Amend Bill, page 2, line 17, by striking out "this
29 subchapter" and inserting

30 subsection (b)

31 Amend Bill, page 2, line 18, by striking out "Plan" and

1 inserting

2 Notice requirement

3 Amend Bill, page 2, lines 20 through 22, by striking out

4 "submit a written plan to the President" in line 20, all of line

5 21 and "Representatives" in line 22 and inserting

6 provide written notice to the commission

7 Amend Bill, page 2, line 22, by striking out "180" and

8 inserting

9 30

10 Amend Bill, page 2, lines 22 and 23, by striking out

11 "effective date of replacement, containing each of" and

12 inserting

13 disapproval or decertification, the written notice shall
14 contain

15 Amend Bill, page 2, line 24, by inserting after "The"

16 name or other description of the voting apparatuses
17 being disapproved or decertified and the

18 Amend Bill, page 2, lines 25 through 28, by striking out all
19 of lines 25 through 27 and "(3)" in line 28 and inserting

20 (2)

21 Amend Bill, page 2, line 29, by striking out the period after

22 "apparatuses" and inserting

23 , including a summary of the input received and
24 recommendations, if any, received from the commission under
25 subsection (c)(1).

26 Amend Bill, page 2, line 30, by striking out "(4)" and

27 inserting

28 (3)

29 Amend Bill, page 2, line 30, by striking out "replacement."

30 and inserting

31 the disapproval or decertification and the date of the
32 municipal or general election in which replacement voting
33 apparatuses must be used.

1 Amend Bill, page 3, lines 2 and 3, by striking out "receipt
2 of the written plan under subsection (b) by" and inserting
3 the effective date of this section,

4 Amend Bill, page 3, lines 4 and 5, by striking out ", a
5 commission shall be established" and inserting
6 shall establish a Voting System Decertification
7 Commission

8 Amend Bill, page 3, line 7, by striking out "Review the
9 written plan." and inserting
10 Consult with and make recommendations to the
11 department relating to the department's voting system
12 decertification plan, if a plan is available.

13 Amend Bill, page 3, lines 9 and 10, by striking out all of
14 said lines and inserting
15 issue of voting system decertification and voting
16 system security in this Commonwealth.

17 Amend Bill, page 3, lines 27 through 30; page 4, lines 1
18 through 4; by striking out all of lines 27 through 30 on page 3,
19 all of lines 1 through 3 and "~~(C)~~ (D)" in line 4 on page 4 and
20 inserting

21 (A) A summary of the activities conducted by
22 the commission under subparagraphs (i) and (ii).
23 (B)

24 Amend Bill, page 4, line 5, by inserting after "necessary"
25 to ensure voting system security

26 Amend Bill, page 4, lines 8 through 12, by striking out all
27 of said lines

28 Amend Bill, page 4, line 21, by striking out "(III)" and
29 inserting

30 (i)

31 Amend Bill, page 4, line 24, by striking out "OR THEIR
32 DESIGNEES"

1 Amend Bill, page 4, line 25, by striking out "(IV)" and
2 inserting

3 (ii)

4 Amend Bill, page 4, line 30; page 5, line 1; by striking out
5 "OR" in line 30 on page 4 and "THEIR DESIGNEES" in line 1 on
6 page 5

7 Amend Bill, page 5, lines 2 and 3, by striking out all of
8 said lines and inserting

9 (3) The President Pro Tempore of the Senate shall set a
10 date, time and place for the organizational meeting of the
11 commission, which shall be no later than 10 days after the
12 commission has been appointed. At the organizational meeting,
13 the members of the commission shall elect co-chairs who may
14 not be members of the same political party. The members also
15 may elect a vice chair and other officers.

16 Amend Bill, page 5, lines 8 and 9, by striking out "IN
17 COOPERATION WITH THE DEPARTMENT"

18 Amend Bill, page 5, by inserting between lines 14 and 15

19 (d) Construction.--Nothing under this section shall be
20 construed to interfere with the Secretary of the Commonwealth's
21 authority to revoke the approval of a voting machine that, upon
22 reexamination, can no longer be safely used by electors at
23 elections as provided under section 1106(c) of the Election
24 Code.

25 Amend Bill, page 5, by inserting between lines 20 and 21

26 SUBCHAPTER D
27 VOTING SYSTEM PROCUREMENT FUNDING

28 Sec.

29 3131. Declaration of policy.

30 3132. Powers of authority.

31 3133. Bond issuance.

32 3134. Voting System Procurement Account.

33 3135. County voting system grant program.

34 § 3131. Declaration of policy.

35 The General Assembly finds and declares as follows:

36 (1) In January 2019, the Blue Ribbon Commission on
37 Pennsylvania's Election Security issued a comprehensive
38 report, which included recommendations, on the issue of
39 election security and the Commonwealth's voting systems.

40 (2) The commission found that "the bulk of

1 Pennsylvania's voting machines are vulnerable to hacking and
2 manipulation" and "[t]his vulnerability stems from many
3 counties' use of insecure electronic voting systems that are
4 susceptible to manipulation and offer no paper record - and
5 therefore no way of verifying the tabulation of votes when
6 the veracity of election results is questioned."

7 (3) The commission concluded that the paperless machines
8 posed a "clear and present danger" and that "replacing the
9 systems with those that employ voter-marked paper ballots
10 should be the most pressing priority for Pennsylvania
11 officials to secure the Commonwealth's elections."

12 (4) The commission made the following recommendations:

13 (i) Counties using direct recording electronic
14 systems should replace them with systems using voter-
15 marked paper ballots, either by hand or by machine,
16 before 2020 and preferably for the November 2019
17 election, as directed by the department.

18 (ii) The department should decertify direct
19 recording electronic voting systems following December
20 31, 2019, if not sooner.

21 (iii) The department should not certify and counties
22 should not procure direct recording electronic machines,
23 not even with voter-verifiable paper audit trails, but
24 instead systems that tabulate voter-marked paper ballots,
25 which are retained for recounts and audits.

26 (iv) The Governor, General Assembly and counties
27 should explore creating financing mechanisms, such as
28 bond issuance, to assist counties with procuring more
29 secure electronic voting systems with voter-marked paper
30 records.

31 (5) As noted by the Blue Ribbon Commission on
32 Pennsylvania's Election Security, "Pennsylvanians, including
33 public officials, must recognize that election security
34 infrastructure requires regular investments and upgrades.
35 Our elections - and Pennsylvanians' faith in them - are not
36 free."

37 (6) The department and counties have begun the process
38 of updating our voting infrastructure. As noted by the Blue
39 Ribbon Commission on Pennsylvania's Election Security, "[t]he
40 cost of procuring new voting machine systems is not trivial
41 for counties." Nor should the counties' procurement of new
42 voting machine systems be an unfunded mandate.

43 (7) Ensuring that this Commonwealth's elections are
44 secure is an issue of Statewide concern, and it is in the
45 best interests of this Commonwealth to provide funding for
46 counties to procure new voting machines in the manner
47 authorized under this subchapter so that each resident can
48 have faith in the security of the Commonwealth's election
49 infrastructure.

50 § 3132. Powers of authority.

51 In addition to its authority to issue bonds under the

1 financing law, the authority may issue bonds for purposes of
2 providing financing to counties that purchase voting systems.
3 § 3133. Bond issuance.

4 (a) Debt and liability.--

5 (1) Bonds issued under this subchapter shall not be a
6 debt or liability of the Commonwealth and shall not create or
7 constitute any indebtedness, liability or obligation of the
8 Commonwealth.

9 (2) Bond obligations shall be payable solely from
10 revenues or money pledged or available for repayment as
11 authorized under this subchapter.

12 (3) Each bond must contain on its face a statement that:

13 (i) The authority is obligated to pay the principal
14 of or interest on the bonds only from the revenues or
15 funds pledged or available for repayment as authorized
16 under this subchapter.

17 (ii) Neither the Commonwealth nor any county is
18 obligated to pay the principal of or interest on the
19 bonds.

20 (iii) The full faith and credit of the Commonwealth
21 or of any county is not pledged to the payment of the
22 principal of or the interest on the bonds.

23 (b) Limitations on bond issuance.--

24 (1) The authority shall issue bonds for voting system
25 reimbursements in an aggregate principal amount not to exceed
26 \$150,000,000, unless the authority and the department
27 determine this amount is insufficient to carry out the
28 purposes of this subchapter. If the authority and the
29 department determine the amount is insufficient to carry out
30 the purposes of this subchapter, the authority shall adopt a
31 resolution to petition the Secretary of the Budget to
32 increase the maximum aggregate principal amount. If the
33 Secretary of the Budget approves the petition, notice of the
34 approval shall be sent to the Legislative Reference Bureau
35 for publication in the Pennsylvania Bulletin.

36 (2) The authority may not issue bonds for voting system
37 reimbursements, except refunding bonds, after June 30, 2020.

38 (3) The authority, in consultation with the department
39 and the Office of the Budget, shall determine the principal
40 amounts of taxable and tax-exempt bonds to be issued during a
41 fiscal year.

42 (4) The maturity date of the bonds may not exceed 15
43 years.

44 (5) Notwithstanding any other provision of law, the
45 authority, at the request of the department, may issue
46 refunding bonds at any time while bonds issued for voting
47 system reimbursements are outstanding if the final maturity
48 of any series of bonds being refunded is not extended.

49 (6) Interest on bonds issued under this subchapter and
50 refunding bonds authorized under this section shall be
51 payable at a time as the authority shall determine in the

1 resolution authorizing the bonds and shall be subject to the
2 provisions of the financing law.

3 (7) The aggregate principal amount of bonds under this
4 subsection shall not be subject to debt limitations on the
5 authority under the financing law.

6 (c) Service agreement authorized.--

7 (1) The authority and the department may enter into an
8 agreement or service agreement to effectuate this subchapter,
9 including an agreement to secure bonds issued for voting
10 system reimbursements, under which the department shall agree
11 to pay service charges to the authority in each fiscal year
12 that the bonds or refunding bonds are outstanding in amounts
13 sufficient to timely pay in full the debt service and any
14 other financing costs due on the bonds issued for voting
15 system reimbursements.

16 (2) The department's payment of the service charges
17 shall be subject to and dependent upon the appropriation of
18 funds by the General Assembly to the department for payment
19 of the service charges. The service agreement may be amended
20 or supplemented by the authority and the department in
21 connection with the issuance of any series of bonds or
22 refunding bonds authorized under this section.

23 (d) Review for form and legality.--For the purposes of
24 issuing bonds under this article, the duties of the Attorney
25 General under section 204 of the act of October 15, 1980
26 (P.L.950, No.164), known as the Commonwealth Attorneys Act,
27 relating to the issuance of bonds may be performed by the first
28 deputy attorney general.

29 § 3134. Voting System Procurement Account.

30 (a) Establishment.--The Voting System Procurement Account is
31 established as a restricted account in the State Treasury.

32 (b) Deposit of bond proceeds.--The net proceeds of bonds,
33 other than refunding bonds, exclusive of costs of issuance,
34 reserves and any other financing charges, shall be transferred
35 by the authority to the State Treasurer for deposit into the
36 account. Money in the account shall be held solely for the
37 purpose of awarding grants to counties under section 3135
38 (relating to county voting system grant program). The department
39 shall requisition payments due to counties from the account. To
40 pay for expenses related to the administration of the county
41 voting system grant program, the department, with the approval
42 of the Governor and the authority, may charge a fee against the
43 proceeds deposited in the account.

44 § 3135. County voting system grant program.

45 (a) Duties of department.--The department shall implement
46 and administer a county voting system grant program for purposes
47 of awarding grants to counties for costs incurred in procuring
48 secure voting systems in accordance with this subchapter.

49 (b) Requirements.--The county voting system grant program
50 developed by the department under subsection (a) shall meet the
51 following requirements:

1 (1) Applications shall be submitted at the time and in
2 the manner prescribed by the department.

3 (2) Each county shall submit an itemized list of costs
4 incurred related to the procurement of voting systems with
5 its application.

6 (3) Grants may be awarded to counties to fund the
7 purchase of the voting systems or as reimbursement to
8 counties who have previously incurred costs in procuring
9 voting systems that have been approved by the department.

10 (4) Grants may only be awarded for costs associated with
11 procuring voting systems that have been approved by the
12 department.

13 (5) The maximum grant awarded to a county for each
14 voting machine procured shall be the lesser of 100% of the
15 cost of each voting machine or \$5,000.

16 (6) The department shall set the maximum grant for
17 associated allowable expenditures which may not exceed 50% of
18 costs incurred by the county for associated allowable
19 expenditures.

20 (c) Report.--

21 (1) Within 30 days after the award of grants to each
22 county, the department shall submit a report to the chair and
23 minority chair of the following committees summarizing the
24 department's activity under this subchapter:

25 (i) The State Government Committee of the Senate.

26 (ii) The Appropriations Committee of the Senate.

27 (iii) The State Government Committee of the House of
28 Representatives.

29 (iv) The Appropriations Committee of the House of
30 Representatives.

31 (2) The report shall include the following information:

32 (i) Total debt incurred by the authority in
33 implementing this subchapter.

34 (ii) The debt service schedule for the bonds.

35 (iii) An itemized list of the counties that received
36 grants, the total amount of each grant and the costs for
37 which the grant was awarded.