



HOUSE COMMITTEE ON APPROPRIATIONS

FISCAL NOTE

SENATE BILL NO. 48

PRINTERS NO. 1076
AS AMENDED BY: A02597

PRIME SPONSOR: Gordner

COST / (SAVINGS)

FUND	FY 2018/19	FY 2019/20
General Fund	\$0	See "Fiscal Impact"
County Funds	\$0	See "Fiscal Impact"

SUMMARY: SB 48, PN 1076, as amended by A02597 amends the Election Code providing for a decertification of voting equipment process; a voter's right, option and convenience to vote straight-party; a reduction in the number of ballots that counties are required to print for each election; absentee ballot deadlines and voting system bonds. This legislation would take effect immediately.

ANALYSIS: This legislation would amend Act 320 of 1937 known as the Pennsylvania Election Code providing for a decertification of voting equipment process; a voter's right, option and convenience to vote straight-party; a reduction in the number of ballots that counties are required to print for each election; absentee ballot deadlines and voting system bonds.

DECERTIFYING VOTING APPARATUSES

The legislation provides that if the Commonwealth intends to disapprove or decertify voting apparatuses in 50% or more counties, the Department of State (DOS) would be required to submit a written plan to the President Pro Tempore of the Senate and the Speaker of the House of Representatives at least 180 days prior to the effective date of replacement, containing each of the following:

- The reason for disapproval or decertification.
- The estimated cost to replace the disapproved or decertified voting apparatuses and the plan for how funding is anticipated to be obtained.
- A plan for replacing the disapproved or decertified voting apparatuses.
- The effective date of replacement.

Within 10 days of receipt of the written plan by the President Pro Tempore of the Senate and the Speaker of the House of Representatives, the Voting System Decertification Commission would be established. Commission membership is established within the legislation and would be required to hold meetings at the call of the chair.

The General Assembly would be required to provide administrative support, meeting space and any other assistance required by the Commission to carry out its duties in cooperation with the DOS. A member would not receive compensation for the member's services, but could be reimbursed for necessary travel and other reasonable expenses incurred in connection with the performance of the member's duties as members of the Commission.

Within 90 days of establishment, the Commission would be required to do the following:

- Review the written plan.
- Hold at least two public hearings on the matter, including the plan submitted by the DOS.
- Issue a written report to include all of the following:
 - An estimated cost for the written plan and estimated costs for the implementation of other voting apparatuses and how the costs will be divided.
 - Written justification for disapproval or decertification.
 - Each dissenting opinion of a member of the Commission.
 - Recommended legislative action, if necessary, including draft legislation.

STRAIGHT-PARTY VOTING

The legislation would also eliminate a voter's right, option and convenience to vote straight-party with a single selection.

NUMBER OF BALLOTS THAT COUNTIES MUST PRINT

The legislation would reduce the number of ballots that counties are required to have on hand at a number equal to 10% more than the highest number of ballots cast in the previous three comparable primaries or general elections in an election district as compared to one book of 50 official ballots of each party for every 45 registered and enrolled electors.

ABSENTEE BALLOTS

Non-Emergency Absentee Ballot Applications: This legislation retains the current absentee ballot application deadline which is no later than 5:00pm of the first Tuesday prior to an election. Counties would be authorized to process applications prior to 50 days before the election.

Emergency Absentee Ballot Applications and Delivery of Ballots: The legislation combines emergency absentee time frames and processes. Currently there are two emergency ballot application time frames and processes (depending on when the emergency becomes known). The amendment would establish a single process for applying for an emergency absentee ballot after 5:00pm on the first Tuesday prior to the election. Any such voter could submit an application up to the close of polls on election day. The amendment would eliminate the requirement that certain emergency absentee ballot applications be filed with the court of common pleas.

Hand Delivery of Completed Ballots Deadline: This legislation provides a voter may mark a hand-delivered ballot and deliver that ballot to the county board of elections no later than 5:00pm on the day immediately preceding the election.

Postmark on Mailed, Completed Ballots: The legislation provides that mailed ballots must be postmarked no later than the Friday immediately preceding the election. A civilian absentee ballot that is mailed, postmarked no later than the Friday preceding the election and received no later than 5:00pm of the seventh day following the election would be counted.

Canvassing of Absentee Ballots: This legislation also provides that absentee ballots would no longer be canvassed at the polling place. Counties would be able to canvass absentee ballots as soon as polls close, but no later than three days after the election, and through 5:00pm of the 7th day following the election. A civilian absentee ballot that is hand delivered no later than 8:00pm on the day of the election would be counted. A military/overseas absentee ballot that is mailed or delivered and received by the county board of elections no later than the 5:00pm of the 7th day following the election would be counted.

Public Record of Absentee Ballots: The legislation would require counties to record the dates that a voters application for an absentee is received and the date it is approved or rejected by the county board, and the dates an absentee ballot is mailed to the voter, post-marked by the voter, and received by the county. Counties would be required to make the records available upon request within 48 hours.

VOTING MACHINE BONDS

The legislation also authorizes the Pennsylvania Economic Development Financing Authority (PEDFA) to issue bonds for up to \$90,000,000 to provide funding for counties to replace voting systems. The DOS may be a project applicant under the Economic Development Financing Law for the funding of the replacement of voting apparatuses. The DOS may only apply after the DOS has approved county applications which total at least \$50,000,000. Bonds issued shall not be a debt or liability of the Commonwealth. The term of bonds would be for no more than 10 years. Debt service payments would be subject to annual appropriations by the General Assembly.

The net proceeds of the bonds shall be deposited in the County Voting System Reimbursement Account which shall be established in the State Treasury. In order to receive funds for the replacement of the voting systems, counties would apply to the DOS to document the county's costs to purchase voting systems. Counties would be eligible to receive 60% of the costs incurred in securing their voting systems or 60% of their estimated costs. Each county shall submit an application for funding no later than December 31, 2019. In the event that the aggregate amount of costs exceeds 60% of the amount available, then each county shall receive a pro rata share of the amount available. The DOS shall review applications on a rolling basis and shall either approve or deny an application within 90 days of submission.

The DOS shall submit an annual report to the chairs of the House/Senate State Government Committees providing all data available on bonds issued or existing in the prior year. The report shall include existing and anticipated bond principal, interest, administrative costs, revenue, repayments, refinancing and overall benefits to counties and any other information that the DOS believes is necessary.

Counties applying for funding would be required to certify to the DOS the county has complied with the state law requirements for the establishment of a program to identify registered electors whose address may have changed and mailed notices and sending a notice to registered electors who have not voted nor appeared to vote during the period beginning five years for whom the board of elections did not receive any information that the elector still resides in the election district. The certification shall also include information on whether a county has undertaken a canvass as permitted under state law.

Applicability: The provision relating to the decertification of voting machines would apply to decertifications occurring after December 31, 2019.

The provisions regarding surplus ballots, straight-party voting, and absentee ballots would take place at the first general or municipal election after the effective date of the legislation.

FISCAL IMPACT: In the event that PEDFA issues \$90 million in bonds, debt service on a 10-year bond at a 3% interest rate would be roughly \$10.55 million per year. These debt service costs would be subject to appropriation by the General Assembly and are expected to start in 2020-21. Counties would be eligible for reimbursement of up to 60% of their costs to replace voting machines. Estimates suggest that the aggregate costs to counties would be about \$148.5 million, therefore \$90 million in bond proceeds would fully cover 60% of the county costs.

Counties who utilize paper ballots would realize some savings as they would now be required to produce 10% more than the highest number of ballots cast in the previous three primaries or general election in an election district. This compares to one book of 50 official ballots of each party for every 45 registered and enrolled electors. Any estimate of those savings is interminable at this point as each county's savings would be on a case by case basis.

According to the Department of State, the remainder of this legislation would be cost-neutral as they would be able to utilize existing staff and would likely receive reimbursement for the examination of all new voting machines within the Commonwealth. The additional costs for the administrative support of the Commission and reimbursements of Commission members' costs are anticipated to be \$8,000 and can be accommodated within current appropriation levels.

PREPARED BY: Tim Rodrigo
House Appropriations Committee (R)

DATE: June 26, 2019

Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.