



NORTH CAROLINA GENERAL ASSEMBLY

2023 Session

Legislative Fiscal Note

Short Title: Elections Law Changes.
Bill Number: Senate Bill 747 (Fourth Edition)
Sponsor(s):

SUMMARY TABLE

FISCAL IMPACT OF S.B.747, V.4					
	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>	<u>FY 2026-27</u>	<u>FY 2027-28</u>
State Impact					
General Fund Revenue	-	-	-	-	-
Less Expenditures	6,022,955	188,413	-	-	-
General Fund Impact	(6,022,955)	(188,413)	-	-	-
NET STATE IMPACT	(\$6,022,955)	(\$188,413)	-	-	-
STATE POSITIONS	7.00	2.00	0.00	0.00	0.00

FISCAL IMPACT SUMMARY

The bill amends Chapter 163, making multiple changes to State and local elections policy and impacting State and county finances related to the conduct of elections. The estimated cost to the State is about \$6 million in FY 2023-24 and \$190,000 in FY 2024-25. (See the Fiscal Analysis section for details).

It is anticipated that the bill will have a fiscal impact on counties, but those costs cannot be determined at this time.

FISCAL ANALYSIS

The requirements in the bill impact many aspects of elections conduct and administration. Some changes have minimal impact on the State and can be absorbed by existing State Board of Elections (SBE) staff. For the purposes of this analysis, those changes are not addressed in this note. For other changes, the following analysis presents estimated costs based on specific quantifiable requirements rather than a section-by-section cost analysis.

Statewide Elections Information Management System (SEIMS)

Implementation of the bill's requirements will require various enhancements to SBE's elections management system including modifications to Help American Vote Act (HAVA) documentation, voting data maintained by precinct, abstract reporting, voter history revisions, modules related to absentee ballots, early voting reports, and other reporting requirements. The estimated cost for SEIMSS enhancements and related contractual costs is \$600,000 nonrecurring.

Election Processes and Documentation

The bill makes various changes to early, absentee and in-person voting that impact SBE's budget. This analysis reflects the addition of \$108,000 for salary and benefits for 1.0 full-time equivalent (FTE) Election Program Specialist position to support the modifications to elections documentation procedures and increased demand for assistance to county boards of elections (CBE).

Elections Workers Training

The various changes impacting voting will necessitate revisions to county elections worker training. The note reflects the addition of \$116,000 nonrecurring in FY 2023-24 and \$80,000 nonrecurring in FY 2024-25 for 1.0 FTE time-limited Elections Training Specialist position and associated costs. The position will assist CBEs in understanding changes to election law and the impact of process changes on and after the upcoming primary and general elections. This analysis assumes that changes to elections required in the bill will be incorporated into the normal training for elections workers and no recurring resources are needed.

Public Education and Outreach

The bill requires SBE and CBEs to conduct a public education and outreach initiative regarding photo identification requirements and changes to requirements for absentee voting. To meet this requirement, an additional \$400,000 nonrecurring is included for 4.0 FTE time-limited Public Education Specialists in FY 2023-24 and \$100,000 nonrecurring in FY 2024-25 to continue 2.0 FTE of the time-limited Public Education Specialists through December 2024. An additional \$3.0 million nonrecurring is included to produce and distribute various educational materials such as polling place signage and residential mailings and to conduct an outreach and awareness campaign. The funds included for professional advertising services assumes SBE will also use similar social media sources and services used during the 2020 elections at no cost to the State.

Signature Verification Pilot

The bill requires SBE to administer a 10-county pilot program during the 2024 primary using signature verification on mail-in absentee ballots. The pilot would require SBE to purchase the equipment, provide guidance and support CBEs in the use of signature verification, monitor and report on the results of the pilot. The estimated cost to administer the pilot includes \$1.65 million nonrecurring to purchase the equipment and \$223,000 nonrecurring for 1.0 FTE time-limited Program Support Specialist and related State-level costs.



Table 1 summarizes the projected costs to implement the bill.

Expenditure Category/Requirement	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28
Election Information Systems/Information Technology Contract Services	600,000	-	-	-	-
Salaries & Benefits (7.0 FTE in FY 2023-24; 2.0 FTE in FY 2024-25)	700,555	157,663	-	-	-
Education and Outreach Campaign	3,035,000	30,750	-	-	-
Signature Verification Pilot	1,687,400	-	-	-	-
Total	\$ 6,022,955	\$ 188,413	-	-	-

Department of Health and Human Services (DHHS)

Section 30 requires DHHS to provide the SBE Executive Director weekly updates on the names of deceased State residents. Death records are created and stored in an electronic format, and it is not anticipated that there would be a cost for the required weekly data transfer.

County Boards of Elections

No estimate available.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

NORTH CAROLINA STATE BOARD OF ELECTIONS
DEPARTMENT OF HEALTH AND HUMAN SERVICES

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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August 25, 2023



Signed copy located in the NCGA Principal Clerk's Offices