



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill # HB0248

Title: Revise the Montana primary election date

Primary Sponsor: Kortum, Kelly

Status: As Introduced

- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
Other - Proprietary	\$508,078	\$227,250	\$0	\$0
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Other - Proprietary	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This legislation would require delaying the implementation date of the new Elections Management system, continued expenses to support and enhance the current systems, addition of 1.50 FTE, and purchasing computer and office supplies to accommodate new staff. The Office of the Secretary of State is funded entirely with non-budgeted proprietary funds and does not receive HB 2 appropriations. The revenue generated from registration and document filings fees, paid by Montana businesses, will be used to pay for the expenditures resulting from this bill.

FISCAL ANALYSIS

Assumptions:

1. The Office of the Secretary of State will delay the implementation date of the new Elections Management system. The original implementation timeline was the end of December 2021 or beginning of January 2022.
2. Vendor costs to delay implementation of the new Elections Management system until December 2022, reallocate project resources and the project plan, and then bring resources back into the project timely, when needed, is estimated at \$175,000 for FY 2022.

3. Due to the delayed implementation, the office will continue to pay ongoing support costs for the MTVotes voter registration system from January 2022 through December 2022 at a cost of \$36,000 per month (\$216,000 in FY 2022 and 2023).
4. Due to the delayed implementation, the office will continue to pay hosting costs for the Candidate Filing system from January 2022 thru December 2022 at a cost of \$625 per month (\$3,750 in FY 2022 and 2023) and vendor costs to enhance the current Candidate Filing system (\$2,500 in FY 2022).
5. The office will continue to pay hosting costs for My Voter Page at a cost of \$625 per month (\$3,750 for FY 2022 and 2023) and vendor costs to enhance current the My Voter Page application (\$3,750 in FY 2022 and 2023).
6. The office will extend the Uniformed and Overseas Citizens Absentee Voting Act (UOCAVA) contract, estimated at \$30,000 in FY 2022. This contract recently ended and was not renewed, due to the functionality to accommodate these services in the new system. If the new system is not launched as planned, the office must obtain UOCAVA services for electors from another source, per federal mandate.
7. The office would need to hire 1.50 FTE to test, configure, and manage the Candidate Filing, My Voter Page, and UOCAVA programs for the new election cycle for six months. These employees would be hired as Information Technology System Analysts II, at an annual salary and benefits rate of \$89,860, which equates to \$67,395 for six months.
8. The office will incur one-time costs in FY 2022 for new employee computer equipment, (\$1,200 per FTE), office packages (\$1,600 per FTE) and addition phone lines (\$332.52 per FTE).

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	1.50	0.00	0.00	0.00
<u>Expenditures:</u>				
Personal Services	\$67,395	\$0	\$0	\$0
Operating Expenses	\$440,683	\$227,250	\$0	\$0
TOTAL Expenditures	\$508,078	\$227,250	\$0	\$0
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Other - Proprietary	\$508,078	\$227,250	\$0	\$0
TOTAL Funding of Exp.	\$508,078	\$227,250	\$0	\$0
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Other - Proprietary	\$0	\$0	\$0	\$0
TOTAL Revenues	\$0	\$0	\$0	\$0
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
Other - Proprietary	(\$508,078)	(\$227,250)	\$0	\$0

Technical Notes:

1. The Office of the Secretary of State recommends setting an effective date after July 1, 2023.

AUTHORIZED BY SPONSOR

Sponsor's Initials

2/8/21
Date

KA
Budget Director's Initials

2/7/21
Date