



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2023 Biennium

**Bill #** HB0406

**Title:** Revise absentee and mail ballot laws

**Primary Sponsor:** Noland, Mark

**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>
<b>Expenditures:</b>				
General Fund	\$0	\$0	\$0	\$0
Other	\$164,982	\$38,813	\$32,381	\$42,694
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**Description of fiscal impact:** Passage of HB 406 will require the Office of the Secretary of State to incur costs associated with establishing a statewide ballot collection registration registry and a ballot collection and conveyance registry. The office is funded entirely with non-budgeted proprietary funds received primarily from business registration and document filing fees.

### FISCAL ANALYSIS

#### Assumptions:

1. Upon passage of HB 406, it is assumed the Office of the Secretary of State will establish an official statewide ballot collection registration registry and ballot collection and conveyance registry. These will be two separate registries.

#### Ballot Collection

2. It will take an attorney 15 hours to write administrative rules, resulting in \$1,815 in additional operating expenditures in fiscal year 2022. It is assumed that the office will contract with the Department of Justice's Agency Legal Services Division for this task.
3. The registry will need to be designed to interface with the current MT Votes system and the new Elect MT system (the new voter registration system that will launch in January 2022).

4. The application design/data capture and development of reports/exports/interface in the MT Votes system will take 240 hours in fiscal year 2022 for the contractor to develop. [240 hours \* \$130/hour = \$31,200]
5. The application design/data capture and development of reports/exports/interface in the Elect MT system will take 240 hours in fiscal year 2022 for the contractor to develop. [240 hours \* \$130/hour = \$31,200]
6. It will take a program manager 20 hours to design the ballot collection registration form/receipt which will result in \$1,584 in personal services expenditures in fiscal year 2022. It is assumed employees will work overtime in lieu of hiring additional staff.

#### **Ballot Collection and Conveyance Registry**

7. It will take an attorney 25 hours to write administrative rules, resulting in \$3,025 in operating expenditures in fiscal year 2022. It is assumed that the office will contract with the Department of Justice's Agency Legal Services Division for this task.
8. The registry will need to be designed to interface with the current MT Votes system and the new Elect MT system (the new voter registration system that will launch in January 2022).
9. The application design/data capture and development of reports/exports/interface in the MT Votes system will take 240 hours in fiscal year 2022 for the contractor to develop. [240 hours \* \$130/hour = \$31,200]
10. It will take an employee (Program Officer 2) 40 hours to test the system interface with MT Votes which will result in \$2,160 in personal services expenditures in fiscal year 2022. It is assumed employees will work overtime in lieu of hiring additional staff.
11. The application design/data capture and development of reports/exports/interface in the Elect MT system will take 240 hours in fiscal year 2022 for the contractor to develop. [240 hours \* \$130/hour = \$31,200]
12. It will take an employee (Program Officer 2) 40 hours to test the system interface with Elect MT which will result in \$2,160 in personal services expenditures in fiscal year 2022. It is assumed employees will work overtime in lieu of hiring additional staff.
13. The Office of the Secretary of State will incur costs to print the Ballot Collection and Conveyance Registry forms (triplicate copies).
14. It is assumed that 5% of voters will use the ballot collection and conveyance process. It is assumed that 70% of electors will vote absentee in the federal elections. A growth rate of 10% is assumed in fiscal year 2024 (based on 2022) and in fiscal year 2025 (based on 2023).
15. It is assumed that 39,250 collection and conveyance forms will be needed in fiscal year 2022. This is based on 16,250 mail ballots for a municipal election in September 2021 (325,000 voters\* .05) and 23,000 mail ballots for a federal primary in June 2022 (650,000 voters\*.70 absentee rate\*.05 = 22,750 rounded up).
16. It is assumed that 51,750 collection and conveyance forms will be needed in fiscal year 2023. This is based 22,750 mail ballots for the general election (650,000 voters\*.70 absentee rate\*.05) plus 29,000 mail ballots for school and special district elections (580,000 voters \* .05).
17. It is assumed that 43,175 collection and conveyance forms will be needed in fiscal year 2024 (39,250 \* 1.10) and 56,925 collection and conveyance forms will be needed in fiscal year 2025 (51,750 \* 1.10).
18. The cost to print is assumed to be \$.75 for each form. This will result in operating costs of \$29,438 in fiscal year 2022; \$38,813 in fiscal year 2023, \$32,381 in fiscal year 2024, and \$42,694 in fiscal year 2025.

Fiscal Note Request – As Introduced

(continued)

	<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>
<b><u>Fiscal Impact:</u></b>				
FTE	0.00	0.00	0.00	0.00
<b><u>Expenditures:</u></b>				
Personal Services	\$5,904	\$0	\$0	\$0
Operating Expenses	\$159,078	\$38,813	\$32,381	\$42,694
<b>TOTAL Expenditures</b>	<b>\$164,982</b>	<b>\$38,813</b>	<b>\$32,381</b>	<b>\$42,694</b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
Other	\$164,982	\$38,813	\$32,381	\$42,694
<b>TOTAL Funding of Exp.</b>	<b>\$164,982</b>	<b>\$38,813</b>	<b>\$32,381</b>	<b>\$42,694</b>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
Other	(\$164,982)	(\$38,813)	(\$32,381)	(\$42,694)

**NOT SIGNED BY SPONSOR**

\_\_\_\_\_ Date: 2/24/21  
 Sponsor's Initials

\_\_\_\_\_ Date: 2/23/21  
 Budget Director's Initials