

Multiple Agency Fiscal Note Summary

Bill Number: 5344 SB	Title: Ballots, prepaid postage
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Estimated Cash Receipts

NONE

Estimated Expenditures

Agency Name	2015-17			2017-19			2019-21		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Office of the Secretary of State	.0	2,723,119	2,723,119	.0	2,284,357	2,284,357	.0	2,962,498	2,962,498
Total	0.0	\$2,723,119	\$2,723,119	0.0	\$2,284,357	\$2,284,357	0.0	\$2,962,498	\$2,962,498

Estimated Capital Budget Impact

NONE

Prepared by: Kathy Cody, OFM	Phone: (360) 902-9822	Date Published: Final 1/23/2015
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

ENPID: 38303

Individual State Agency Fiscal Note

Bill Number: 5344 SB	Title: Ballots, prepaid postage	Agency: 085-Office of the Secretary of State
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2016	FY 2017	2015-17	2017-19	2019-21
Account					
General Fund-State 001-1	1,019,675	1,703,444	2,723,119	2,284,357	2,962,498
Total \$	1,019,675	1,703,444	2,723,119	2,284,357	2,962,498

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Sam Brown	Phone: 786-7470	Date: 01/20/2015
Agency Preparation: Temple Allen	Phone: 360-704-5215	Date: 01/22/2015
Agency Approval: Mark Neary	Phone: 360-902-4186	Date: 01/22/2015
OFM Review: Kathy Cody	Phone: (360) 902-9822	Date: 01/23/2015

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This bill requires the state to pay for return ballot postage for primary and general elections.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

The most economical method for achieving this policy change is to use business reply mail, which is only charged if a ballot is returned by mail. The number of ballots returned varies from election to election.

Expenditures were determined based on these criteria:

- Business Reply Mail rate of 43.7 cents per returned ballot.
- The number of returned ballots in 2011 through 2014.
- Expected 20 percent of ballots are delivered by means other than the U.S. Postal Service and would not require return postage.
- Reimbursement of \$905 per year Business Reply Mail permits for each county
- One cent increase in postage each year.

Each type of election has different ballot return rates. Presidential elections have the highest return rate—3,206,490 ballots were returned in 2012 General Election. Odd-year primaries have the lowest return rate—842,135 ballots were returned in the 2013 Primary.

The number of returned ballots is slightly higher than the actual number of ballots counted. Ballots are rejected for various reasons. Return postage would be paid for rejected ballots as well as for those counted if returned by mail.

Currently, 35 to 40 percent of the ballots are returned through ballot deposit sites, not the U.S. Postal Service. With prepaid ballot return postage, it is impossible to know how many will instead come through the mail. However, with prepaid postage, we anticipate 20 percent of the ballots will come through by means other than the U.S. Postal Service.

The cost of postage would increase if a county uses a more expensive prepaid postage method, more ballots, a larger percentage of voter turnout, an increase in the number of registered voters, or an increase in the cost of postage.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2016	FY 2017	2015-17	2017-19	2019-21
FTE Staff Years					
A-Salaries and Wages					
B-Employee Benefits					
C-Professional Service Contracts					
E-Goods and Other Services					
G-Travel					
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services	1,019,675	1,703,444	2,723,119	2,284,357	2,962,498
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$1,019,675	\$1,703,444	\$2,723,119	\$2,284,357	\$2,962,498

Part IV: Capital Budget Impact

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

WACs 434-230-130 and 434-250-200 would need to be amended.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 5344 SB	Title: Ballots, prepaid postage
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Part I: Jurisdiction

Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities:
- Counties:
- Special Districts:
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option:
- Key variables cannot be estimated with certainty at this time:

Part III: Preparation and Approval

Fiscal Note Analyst: Sam Wilson	Phone: 360-725-5040	Date: 01/23/2015
Leg. Committee Contact: Sam Brown	Phone: 786-7470	Date: 01/20/2015
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 01/23/2015
OFM Review: Kathy Cody	Phone: (360) 902-9822	Date: 01/23/2015

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.

This legislation would amend RCW 29A.04.420 and 29A.40.091 and create a new section. Section 2 (2) add new language stating that the state will reimburse counties for the cost of return postage on mail and absentee ballots for primary and general elections. Section 3 (4) adds new language to specify that return envelopes for primary and general election ballots must include prepaid postage. The legislation does not provide prepaid postage for special elections.

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments, identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

This bill would have no expenditure impact on local governments.

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

This legislation would have no revenue impact for local governments.

SOURCES:

Grays Harbor County Auditor's Office

Skagit County Auditor's Office

Washington Association of County Officers