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**FISCAL IMPACT STATEMENT**

**LS 6186**

**BILL NUMBER: HB 1011**

**NOTE PREPARED: Feb 24, 2006**

**BILL AMENDED: Feb 23, 2006**

**SUBJECT:** Miscellaneous Election Law Matters.

**FIRST AUTHOR:** Rep. Richardson

**FIRST SPONSOR:** Sen. Lawson

**BILL STATUS:** 2<sup>nd</sup> Reading - 2<sup>nd</sup> House

**FUNDS AFFECTED: X GENERAL  
DEDICATED  
FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** (Amended) This bill has the following provisions:

*Statewide Voter Registration List Fee-* The bill provides that the fee a person must pay to receive a complete compilation of voter registration information contained in the statewide voter registration list is an annual fee and includes the price for receiving updates of voter registration information throughout the year.

*Filing Deadline-* This bill provides that an election official may not receive an election law filing that is offered to be filed after a deadline for the filing unless election law provides for the filing after the deadline.

*Third-Party Legislative Office Vacancies-* The bill provides that a vacancy in a legislative office last held by an individual who was not a member of a major political party shall be filled in a special election.

*Transfer of Data-* The bill conforms statutes to recognize the requirement in current law for electronic transmittal of data between license branches and the statewide voter registration list.

*Precinct Committeemen-* The bill provides for the election of the precinct committeemen of the Indiana Republican Party during presidential election years.

*Pilot Vote Centers-* The bill authorizes the Secretary of State to establish a pilot program of vote centers in up to three counties for the 2007 municipal elections and provides that a voter who resides in a vote center pilot county may cast the voter's ballot at a vote center without regard to the precinct in which the voter resides. It establishes the criteria and requirements for a county that applies to be a vote center pilot county. This bill

specifies that the pilot program expires December 31, 2009.

*Voter Registration-* The bill specifies that a voter registration becomes effective before the expiration of the current seven day voter registration pending period if the acknowledgment notice mailed to the voter is presented by the voter in person to the county voter registration office.

*Precinct Boundary Changes-* The bill permits the Co-Directors of the Election Division to set a deadline for a county to submit a proposed precinct establishment order if the county wishes the order to take effect before the next deadline for proposed precinct changes and requires the county executive to file a copy of an approved precinct establishment order with the county auditor. The bill makes other changes in the administrative process to approve precinct boundary changes. The bill provides that a precinct establishment order issued after June 30, 2005, complies with certain polling place accessibility requirements if the order: (A) includes a statement that the precinct meets the requirements; or (B) states that before April 1, 2006, the county will designate a polling place for the precinct that meets the requirements.

*Voting Systems-* The bill makes provisions concerning use of previously state certified voting equipment, declaration of candidacy filings, and school board election tie votes effective for the May 2006 primary. The bill conforms voting system certification dates and certain recount deadlines with 2005 legislation.

*Ballot Counting-* The bill specifies how to count votes when a voter casts a straight party ticket vote and also votes for individual candidates.

*Absentee Ballots-* The bill permits an absentee ballot sent by mail by an overseas voter to be counted if: (A) the absentee ballot envelope is postmarked not later than election day; and (B) the ballot is received by the deadline for counting provisional ballots.

*Legislative Office Vacancies-* The bill requires that the state committee of a political party whose nominee received at least 2% but less than 10% of the votes cast of Secretary of State in the last election for that office fill a vacancy in a legislative office that was last held by a person who was elected or selected as a candidate of that political party.

*Vote Fraud Convictions-* The bill prohibits, for at least 20 years from the date of conviction, a person convicted of a felony or a Class A misdemeanor under IC 3-14-2 and the felony or misdemeanor relates to an election for a city, town, or school corporation office from continuing employment with, obtaining future employment with, contracting with, or being a subcontractor under a contract with a city, town, school corporation, or the agency of a city, town, or school corporation. The bill authorizes the Attorney General to request an injunction against a person or governmental entity that violates this provision. The bill permits the Attorney General to seek a civil penalty of not more than \$1,000 against a person who violates this provision.

*Miscellaneous Provisions-* The bill removes or repeals expired, superseded, or obsolete provisions of election law. The bill corrects erroneous cross-references. The bill makes technical changes. The bill updates election schedules. The bill specifies certain deadlines concerning write-in candidates in a school board election held at the same time as a primary election. The bill removes a one day overlap in the campaign finance reporting schedule for statewide candidates. The bill specifies that a candidate for nomination to a statewide office at a state party convention is required to file quarterly reports and not an additional "late convention" report (current law requires quarterly reports, but not a "post convention" report, by "late" convention candidates nominated by major parties; requires "late" candidates nominated by other parties to file both quarterly and a "post

convention" report).

The bill removes some of the changes to a ballot instruction for voters casting votes for candidates in local "at large" races. The bill specifies procedures for making voting systems available at the polls for a voter who initially marks a ballot for a write-in candidate, but wants to vote for a candidate on the ballot instead. The bill continues a requirement that each county have at least one accessible voting system for use at each polling place. The bill restores an expired provision authorizing voting equipment reimbursements for certain counties.

**Effective Date:** (Amended) Upon passage; January 1, 2006 (retroactive); July 1, 2006; January 1, 2007.

**Explanation of State Expenditures:** *Precinct Boundary Changes-* The bill would allow the Election Division Co-Directors to request a hearing of the Election Commission for a precinct boundary change under certain circumstances. It is likely that the Election Commission, if any hearings were necessary, could incorporate the request within the course of a regularly scheduled meeting of the Commission.

*Pilot Vote Centers-* The Secretary of State would be allowed to designate up to three counties for a vote center pilot program. The Secretary would have until October 1, 2006, to designate a county or counties to participate in the program.

The program would require counties to submit a detailed plan for the implementation of a vote center, that the Secretary of State would be required to study. The Secretary would have to determine if a county plan would produce a secure electronic connection that would prevent a voter from voting twice and prevent the unauthorized access to poll lists. The Secretary would also have to determine if the equipment and election officers would provide the most efficient access for voters and allow other authorized personnel to perform their duties.

The pilot vote center program would expire December 31, 2009.

*Use of Local Systems for Statewide Computerized Voter Registration List-* The bill would give the state the option to enter into agreements with counties to use county equipment to maintain the computerized list in that county. The provision would likely only impact the state, if under emergency conditions, county equipment failed to work. The state then would have the option of canceling the agreement and install state equipment to maintain the list.

**Explanation of State Revenues:** *Statewide Voter Registration List Fee-* Under current law, the Election Division charges \$5,000 per compilation of the voter registration list. The bill would annualize the compilation fee to cover updates to the list in a given year.

*Background Information:* Three applications for a compilation were received by the Election Division in FY 2005. Total revenue collected was \$15,000.

*Vote Fraud Convictions-* Under the bill, the Attorney General would be allowed to petition a court of jurisdiction to impose a civil penalty on a person convicted of vote fraud that contracts with a local governmental entity. Civil penalties collected by the state would be deposited into the state General Fund.

*Court Fee Revenue:* If additional civil actions occur, revenue to the state General Fund may increase

if court fees are collected. A civil filing fee of \$100 would be assessed when a civil case is filed. 70% of the filing fee would be deposited in the state General Fund if the case is filed in a court of record or 55% if the case is filed in a city or town court.

**Explanation of Local Expenditures:** *Third Party Legislative Office Vacancies-* Under the bill, a special election would fill a legislative office previously held and vacated by a member of a third party. If the vacancy were to occur within 30 days of a general election, a special election would not be conducted.

*Background on Election Expenses:* Expenses to run an election include: precinct election board per diem, preparation of ballots (if optical-scan voting systems are used), rental of a facility for polling (if necessary) and/or voting equipment (if necessary). For the 2004 general election, optical-scan ballots cost \$0.29 per ballot or \$290 per one thousand ballots. Based on a small sample of Indiana counties, per diem for election board members ranges from \$65 to \$150 for inspectors and from \$40 to \$100 for judges, clerks, and sheriffs.

*Background on Special Elections and the General Assembly:* Research of election data reveals 17 special elections were conducted within the time period of 2001 to 2005. The 17 special elections were conducted for either a local or school office. Historical study of the Indiana General Assembly indicates that from 1930 until 1970, no third-party candidates were elected to either the Indiana House or Senate. Between 1890 and 1930, 17 third-party candidates were elected to the General Assembly.

*Precinct Boundary Changes-* A county executive must send a copy of a precinct establishment order to the circuit court clerk or board of registration under current law. Therefore, this provision should present a minimal increase in administrative time and cost to produce a copy of an order for the county auditor.

*Precinct Committeemen-* Republican precinct committeemen will be elected during the May 2006 primary election. The election of Republican precinct committeemen during the 2008 presidential primary should have a minimal impact on county election expenditures.

*(Revised) Pilot Vote Centers-* This provision would generate an indeterminable impact to local expenditures. The impact would depend on the counties selected to participate in the pilot program, including the equipment (particularly computer hardware and software), personnel, and the number of vote centers the selected counties would need to meet the specifications of their vote center plans.

The county executive in a chosen county would be required to print notices of their vote center's location. A selected county would be required to conduct an election at the vote center under state and federal law. Each county selected would have to provide a vote center for every 10,000 active registered voters in the county (including any fraction of 10,000 active voters.)

In order to initiate a proposal to be selected, a county would have to have the unanimous vote of their election board to forward an application to the Secretary of State. An application sent to the Secretary of State would require the inclusion of resolutions adopted by both the county executive and the county fiscal body approving submission of an application.

*Vote Fraud Convictions-* The provision could affect existing contracts between a person and a local unit of government (city, town, or school corporation) if the person has been convicted of a vote fraud felony or Class A misdemeanor.

**Explanation of Local Revenues:** *Vote Fraud Convictions*- Under the bill, the Attorney General would be allowed to petition a court of jurisdiction to impose a civil penalty on a person convicted of vote fraud that were to contract with a local governmental entity.

*Court Fee Revenue:* If additional civil actions occur, local governments would receive revenue from the following sources. The county general fund would receive 27% of the \$100 filing fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund.

**State Agencies Affected:** Indiana Election Division; Bureau of Motor Vehicles; Attorney General.

**Local Agencies Affected:** Counties.

**Information Sources:** Brad King, Co-Director, Indiana Election Division, 232-3939; various county election boards/registration offices; Election Systems and Software (317) 913-0230; Indiana Election Division; Justin E. Walsh- *The Centennial History of the Indiana General Assembly (1816-1978)*.

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