



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 873** HLS 24RS 305
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 9, 2024	6:07 PM	Author: EMERSON
Dept./Agy.: Department of State/Ethics Administration		
Subject: Election Schedule - Closed Party Primary System		Analyst: Kimberly Fruge

ELECTIONS OR INCREASE GF EX See Note Page 1 of 2
 Provides relative to elections

Proposed law restructures the election schedule to include party primary elections and second party primary elections; makes various changes to the qualifying period and schedule for reporting; provides for prohibited election dates; adjusts the early voting period; and makes various technical changes to the election code.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	\$16,737,328	\$9,149,574	\$4,254,725	\$0	\$30,141,627
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total		\$16,737,328	\$9,149,574	\$4,254,725	\$0	\$30,141,627

REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

NOTE: This fiscal note examines the implications of the proposed law irrespective of those reported in Act 1 of the 2024 1st ES, as the effective date of that act is 1/01/26. As of 4/09/24, no specific appropriations have been made pursuant to Act 1. This instrument changes provisions that were adopted in Act 1. While the expenditure table of this fiscal note reports impacts specific to this instrument, the LFO reports the impacts of this measure compared to the impacts of Act 1 at the bottom of page two. If proposed law is enacted, the costs detailed in this fiscal note will supplant those outlined in the fiscal note for Act 1.

Proposed law will result in a significant increase in SGF expenditures, compared to the projected elections expenses as of 1/01/24, for the Department of State to restructure the election schedule to be inclusive of the closed party primary system and an indeterminable one-time increase in SGF expenditures for the Board of Ethics to make various changes to the LEADERS system, internal database, and training materials (see page two for details on costs for the Ethics Administration).

Department of State:

Proposed law replaces both municipal elections held in the spring of FY 26 and FY 27 with statewide elections and replaces the spring municipal general election in FY 28 with a statewide election. A summary of the costs for the Department of State can be found below with a description by fiscal year starting below and continuing on page two.

<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>	<u>FY 29</u>
\$160,000	\$16,737,328	\$9,149,574	\$4,254,725	\$0

FY 25:

The Department of State anticipates needing \$160,000 in FY 25 for IT programming to finalize requirements, code, and test their systems to implement proposed law and closed party primary elections.


EXPENDITURE EXPLANATION CONTINUED ON PAGE 2

REVENUE EXPLANATION

Proposed law may result in an increase in SGF revenues from fines collected by the Ethics Administration. The Ethics Administration is unable to predict the amount of fines that may be imposed as a result of proposed law, thus any increase in revenue is indeterminable.

NOTE: Penalties and fines imposed for the violation of these provisions are considered income not available to the Ethics Administration; thereby, accrue to the State General Fund.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}	<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}	<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}	


Patrice Thomas
 Deputy Fiscal Officer



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CONTINUED EXPLANATION from page one:

EXPENDITURE EXPLANATION CONTINUED:

FY 26:

Under proposed law, both spring elections would become statewide elections FY 26. In addition to the increased cost to hold a statewide election instead of a municipal election, the Department of State indicates needing additional funding for voter outreach, voter notification cards, unaffiliated voter letters, and statewide training in order to effectively implement a closed party primary system. A breakdown of the specific costs for FY 26 is illustrated in the table below:

	<u>FY 26</u>
Election Costs	\$7,506,000
Voter Outreach	\$5,500,000
Voter Notification Card	\$2,802,754
Statewide election supplies to add provisionals	\$400,000
Military/Overseas Provisional and Absentee Ballots	\$150,000
Statewide training for various staff	\$125,000
Printing of inactive voter list	\$110,000
Travel for election support	\$100,000
Elections Services supplies	\$31,574
Unaffiliated Voter Letters	<u>\$12,000</u>
Total	\$16,737,328

FY 27:

Under proposed law, both spring elections would become statewide elections FY 27. In addition to the increased cost to hold a statewide election instead of a municipal election, the Department of State indicates needing additional funding for voter outreach. A breakdown of the specific costs for FY 27 is illustrated in the table below:

	<u>FY 27</u>
Election Costs	\$7,408,000
Voter Outreach	\$1,500,000
Printing of inactive voter list	\$110,000
Travel for election support	\$100,000
Elections Services supplies	<u>\$31,574</u>
Total	\$9,149,574

FY 28:

Under current law, there is an existing statewide election in spring FY 28 (the presidential primary election). Therefore, under proposed law, the spring municipal general election would become a statewide election in FY 28. A breakdown of the specific costs for FY 28 is illustrated in the table below:

	<u>FY 28</u>
Election Costs	\$3,728,938
Statewide election supplies to add provisionals	\$200,000
Military/Overseas Provisional and Absentee Ballots	\$150,000
Printing of inactive voter list	\$110,000
Travel for election support	\$50,000
Elections Services supplies	<u>\$15,787</u>
Total	\$4,254,725

Comparison to Act 1 of the 2024 1st ES:


For informational purposes, the table below outlines the costs proposed in Act 1 of 2024 1st ES compared to the costs for this measure. This instrument provides clarification on the election schedule and changes the assumptions made in the fiscal note of Act 1. **If proposed law is enacted, the costs detailed in this fiscal note will supplant those outlined in the fiscal note for Act 1. As of 4/09/24, no specific appropriation has been made pursuant to Act 1 of the 2024 1st ES.**

	<u>FY 25</u>	<u>FY 26</u>	<u>FY 27</u>	<u>FY 28</u>
HB 873	\$160,000	\$16,737,328	\$9,149,574	\$4,254,725
Act 1 of 2024 1st ES	<u>INCREASE</u>	<u>\$19,660,692</u>	<u>\$17,560,692</u>	<u>\$9,553,570</u>
Change	N/A	(\$2,923,364)	(\$8,411,118)	(\$5,298,845)

Ethics Administration:

Proposed law will result in a one-time increase in SGF expenditures by the Ethics Administration to develop new reports, make modifications to the LEADERS system and the internal database, and make changes to the information sheets and training modules to explain the reporting requirements for party primary office candidates. The agency reports that it will likely need an additional appropriation for FY 25, but can absorb the increased workload in the out years. To the extent the workload is greater than anticipated, additional resources may be required.

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<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


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