LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

April 15, 2003

TO: Honorable Mary Denny, Chair, House Committee on Elections

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB1362 by Rodriguez (Relating to the use of alternate forms of voting in certain elections.),

As Introduced

No significant fiscal implication to the State is anticipated.

The bill would authorize the use of alternate forms of voting in an election for an officer of a municipality or independent school district, by majority vote or when the constitution does not require a majority vote; or, a primary election of a political party's nominee for an officer of the county. Procedures for determining election results when alternative voting is used are provided in the bill.

The secretary of state would be required to prescribe procedures for an election of an office requiring a majority vote using a preferential voting system and for using preferential voting at a primary election of a political party for nomination to a county office.

The bill would also repeal Chapter 275, Election Code, which relates to elections for officers in municipalities with a population of 200,000 or more.

The bill would take effect September 1, 2003 and would apply only to elections held on or after that date.

Local Government Impact

The Texas Municipal League estimates that the main cost associated with implementing the bill would be for pre-clearance by the US Justice Department if a city chooses to adopt a preferential voting system. Generally, the legal expenses involved with obtaining pre-clearance costs between \$15,000 and \$20,000.

The Texas Association of School Board Officials (TASBO) identified costs and savings that could result from implementation of the bill. Costs would be for training election officials on the new procedures; educating the voters; and if a school district, county, or municipality conduct joint elections, the cost of separate ballots, custom programming for new election equipment, and an increase in labor cost for counting and canvassing votes. Possible savings determined by TASBO would be the elimination of runoff elections.

Officials in Bexar County indicated costs for implementation would include reprogramming electronic voting systems to tabulate ballots using two methods, although the county was not certain that doing so is possible. The county also identified as a possible savings, the elimination of runoff elections, which average approximately \$100,000 in costs. Overall, Bexar County estimates that the fiscal impact would be insignificant.

Harris County, on the other hand, which has a totally paperless voting system estimates that the cost for implementing preferential balloting would be quite significant. The county stated that they would have to purchase a large number of voting machines and vote counting equipment for the single purpose of deciding runoff candidates in the event of an exact tie, which has never happened in Harris County.

The fiscal impact to units of local government would vary depending on the systems currently in place.

Source Agencies: 307 Secretary of State **LBB Staff:** JK, GO, JB, DLBa