



**Colorado
Legislative
Council
Staff**

Initiative # 176

**INITIAL FISCAL
IMPACT STATEMENT**

Date: April 16, 2018

Fiscal Analyst: Ryan Long (303-866-2066)

LCS TITLE: RUNOFF PRIMARY ELECTIONS FOR STATEWIDE OFFICES

Fiscal Impact Summary	FY 2018-19	FY 2020-21
State Revenue		
State Expenditures		<u>\$320,236</u>
General Fund		\$320,236

Note: This *initial* fiscal impact estimate has been prepared for the Title Board. If the initiative is placed on the ballot, Legislative Council Staff may revise this estimate for the Blue Book Voter Guide if new information becomes available.

Summary of Measure

This measure moves the election date for primary elections from the last Tuesday in June to the third Tuesday in April in even numbered years, and creates a runoff primary election to be held in June if no candidate for a political party receives at least 50 percent of the vote in that party's primary election. The two political party candidates that received the highest number of primary votes will be placed on the ballot for a runoff primary election. Under this measure, the following offices are subject to a runoff primary:

- Governor;
- Secretary of State;
- Treasurer; and
- Attorney General.

Primary runoff elections and unaffiliated voters. A runoff primary election is conducted in the same manner as the current primary election. County clerks must send ballots to the voters of all major political parties participating in the runoff. Unaffiliated voters will receive a ballot for each major party participating in the election and may choose to vote in one political party runoff primary for each office participating in the primary runoff.

Lieutenant Governor. Under current law, a major political party's candidate for Governor must select a candidate for Lieutenant Governor no more than 7 days after the primary election. Under this measure, candidates for Governor may select a Lieutenant Governor seven days after the initial primary or runoff primary election, if required.

Vacancies. In the event of a vacancy due to the withdraw, death, or ineligibility of a candidate in a primary runoff election, the remaining two candidates that received the highest number of votes must participate in the primary runoff. As specified in the measure, designated election officials must follow the same process as under current law for printing replacement ballots and providing notifications of the vacancy, sample ballots, and the counting of votes in certain circumstances.

State Expenditures

This measure increases Department of State expenditures in the Department of State cash fund by \$320,396 and 0.5 FTE in FY 2019-20. These impacts are shown in Table 1 and discussed below. Ongoing costs each year a primary is conducted are estimated at \$177,036 and 0.5 FTE.

Cost Components	FY 2018-19	FY 2019-20
Personal Services	-	\$23,858
FTE	-	0.5 FTE
Operating Expenses and Capital Outlay Costs	-	\$5,178
Military and Oversees Ballot Contract	-	\$68,000
Peak Election Monitoring Contract	-	\$80,000
Computer Programming	-	\$143,360
TOTAL	-	\$320,396

* Centrally appropriated costs are not included in the bill's appropriation.

Personal services. The Department of State will require 0.5 FTE to review county mail ballot plans, watcher accommodation plans, and security plans, as well as assist with county support and provide voting system support for runoff primary elections in FY 2019-20 and each runoff primary year thereafter.

Military and oversees ballot contract. The Department of State currently contracts with a vendor for the secure online delivery and return of military and overseas voter ballots. Under this measure, additional costs estimated at \$68,000 are needed to contract for the delivery and return of military and overseas ballots for the runoff primary in FY 2019-20 and each runoff primary year thereafter.

Election monitoring contract. The Department of State currently contracts with a vendor for election-specific services such as election night reporting, service, and maintenance for county on demand ballot printers. Under this measure, additional costs estimated at \$80,000 are needed for election monitoring contract services for the runoff primary in FY 2019-20 and each runoff primary year thereafter.

Computer programming. In FY 2019-20 only, this initiative will increase state cash fund expenditures by \$143,360 to modify the state's voter database, SCORE, and WebSCORE applications. SCORE is used by counties to match the appropriate ballot style to each elector and a runoff primary voter database will need to be created. It is estimated that this work will take 1,280 hours of contractor time at a rate of \$112 per hour.

Local Government Impact

This bill will increase local government expenditures as described below beginning in FY 2019-20 and continuing in each runoff primary year thereafter.

Counties. For the last two primary elections held in the state, the average cost to counties per vote cast was \$10.19. In 2020, it is estimated that 3,722,235 voters will be eligible to vote in the primaries. The average participation rate for the last two primary elections was 26.3 percent, meaning approximately 978,947 voters are expected to vote in the 2020 primary. This results in an expenditure increase of approximately \$9.98 million in election-related expenditures in each primary election year, assuming there is statewide runoff primary. Additional county clerk election costs will also be incurred to the extent that a runoff primary occurs for county elected offices.

Additional county costs may be incurred to find and lease voter service and polling centers for the additional runoff primary in June. These costs will vary by location to the extent that existing voter service and polling centers cannot be used and have not been estimated.

Municipalities. Under current law, county clerks may share or lease vote counting equipment to municipalities for elections occurring in April. Under this measure, municipal election costs may increase from no longer being able to borrow or lease this equipment.

Effective Date

If approved by voters, this measure takes effect July 1, 2019.

State and Local Government Contacts

County clerks
Personnel

Information Technology
Revenue

Local Affairs
Secretary of State

Abstract of Initiative 176: RUNOFF PRIMARY ELECTIONS FOR STATEWIDE OFFICES

This initial fiscal estimate, prepared by the nonpartisan Director of Research of the Legislative Council as of April 16, 2018, identifies the following impacts:

The abstract includes estimates of the fiscal impact of the initiative. If this initiative is to be placed on the ballot, Legislative Council Staff will prepare new estimates as part of a fiscal impact statement, which includes an abstract of that information. All fiscal impact statements are available at www.ColoradoBlueBook.com and the abstract will be included in the ballot information booklet that is prepared for the initiative.

State Expenditures. Initiative 176 increases state expenditures by \$320,396 and 0.5 FTE to implement runoff primaries during even-numbered years. The Department of State will have costs for oversees ballot delivery, election night support, and computer programming. Costs in future primary election years are increased by \$177,036 for 0.5 FTE.

Local government impact. County clerk expenditures are increased by an average of \$10.19 per voter to conduct a statewide runoff primary. Additional costs may be incurred to lease additional voter service and polling centers and for conducting a runoff primary for county elected offices.