

FISCAL NOTE
Requested by Legislative Council
01/11/2021

Bill/Resolution No.: HB 1239

- 1 A. **State fiscal effect:** *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	2019-2021 Biennium		2021-2023 Biennium		2023-2025 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues	\$0	\$0	\$0	\$0	\$0	\$0
Expenditures	\$0	\$0	\$150,680	\$0	\$178,080	\$0
Appropriations	\$0	\$0	\$167,000	\$0	\$200,000	\$0

- 1 B. **County, city, school district and township fiscal effect:** *Identify the fiscal effect on the appropriate political subdivision.*

	2019-2021 Biennium	2021-2023 Biennium	2023-2025 Biennium
Counties	\$0	\$5,000	\$5,000
Cities	\$0	\$1,000	\$1,000
School Districts	\$0	\$10,000	\$10,000
Townships	\$0	\$0	\$0

- 2 A. **Bill and fiscal impact summary:** *Provide a brief summary of the measure, including description of the provisions having fiscal impact (limited to 300 characters).*

Section 6 requires all contests must be on a paper ballot that can be counted by an ECS. Section 9 requires all ballots be posted on the SOS's website for public review.

- B. **Fiscal impact sections:** *Identify and provide a brief description of the sections of the measure which have fiscal impact. Include any assumptions and comments relevant to the analysis.*

Section 6 would eliminate the possibility of counting the votes on a ballot only by hand. Many school districts and cities administer their own elections without the assistance of a voting system to count the votes. This section would require cities and schools to use the voting system purchased by the state for their elections. We believe the fiscal impact to the counties, cities and schools is low, but it is unknown how many contests this would impact to come up with a true cost.

The costs behind Section 9 include: one-time costs of approximately \$84,000 for programming and servers and monthly costs of just over \$67,000 for storage and hosting for the first biennium. We anticipate that the initial storage needed would be 4 TB. With each passing election, the monthly costs would go up by nearly \$6,000 for each TB of storage added.

3. **State fiscal effect detail:** *For information shown under state fiscal effect in 1A, please:*

- A. **Revenues:** *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

No revenue is anticipated.

- B. **Expenditures:** *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

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- C. **Appropriations:** *Explain the appropriation amounts. Provide detail, when appropriate, for each agency and fund affected. Explain the relationship between the amounts shown for expenditures and appropriations. Indicate whether the appropriation or a part of the appropriation is included in the executive budget or relates to a continuing appropriation.*

The appropriation needed per biennium will need to be at least \$167,000, but likely much higher.

Name: Jim Silrum

Agency: Secretary of State

Telephone: 701-328-3660

Date Prepared: 01/18/2021