

**COMMONWEALTH OF KENTUCKY FISCAL NOTE STATEMENT
LEGISLATIVE RESEARCH COMMISSION
2021 REGULAR SESSION**

MEASURE

2021 BR NUMBER 1297

HOUSE BILL NUMBER 425 HCS 1

TITLE AN ACT relating to elections.

SPONSOR Representative Nancy Tate

FISCAL SUMMARY

STATE FISCAL IMPACT: YES NO UNCERTAIN

OTHER FISCAL STATEMENT(S) THAT MAY APPLY: ACTUARIAL ANALYSIS
 LOCAL MANDATE CORRECTIONS IMPACT HEALTH BENEFIT MANDATE

APPROPRIATION UNIT(S) IMPACTED: Board of Elections and Registry of Election Finance

FUND(S) IMPACTED: GENERAL ROAD FEDERAL RESTRICTED _____

FISCAL ESTIMATES	2020-2021	2021-2022	ANNUAL IMPACT AT FULL IMPLEMENTATION
REVENUES			
EXPENDITURES		Indeterminable	Indeterminable
NET EFFECT		(Indeterminable)	(Indeterminable)

() indicates a decrease/negative

PURPOSE OF MEASURE: HB 425 HCS 1 requires that all voting systems and voting equipment in the state provide a verified paper audit trail for all general, primary, and special elections. HB 425 HCS 1 also creates additional requirements for voting officials regarding voter privacy, security, proper functioning of a paper ballot voting system, and the accuracy of counted votes. Counties will be allowed the continued use of existing voting equipment previously certified by the State Board of Elections until replacement voting systems that adhere to the requirements of Section 12 can be procured.

The house committee substitute also makes it a Class B misdemeanor for a candidate or candidate's campaign committee to knowingly pay a person for the purpose of transporting voters to the polls.

FISCAL EXPLANATION: While most of the provisions outlined in HB 425 HCS 1 follow administrative regulations already promulgated by the State Board of Elections and would not lead to additional state costs, Section 10, as written, could have significant immediate costs to the county and state boards of elections.

According to the State Board of Election, Section 10, Part 3 allows for performing maintenance on existing voting equipment that has been previously certified by the State Board of Elections, but may not allow for continued maintenance and recertification of that piece of voting equipment for the life of the county's overall voting system. If one voting machine needed to be replaced, the county would be required to replace all working voting machines with a voting system that complies with the requirement of Section 12 of the Act, as the two voting systems are not compatible. The immediate costs, while ultimately indeterminable, could be up to \$20 - \$25 million within 2-3 years of implementation of this proposed substitute, if all counties were to have just one voting machine irreparably break.

Section 64 would make it a Class B misdemeanor for a candidate or candidate's campaign committee to knowingly pay a person for the purpose of transporting voters to the polls. This would have no fiscal impact on the state.

DATA SOURCE(S): LRC Staff, State Board of Elections

PREPARER: Emma Mills NOTE NUMBER: 105 REVIEW: JAB DATE: 3/25/2021