SF 568 – Election Omnibus (LSB1717SVV.1)
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Fiscal Note Version – As amended and passed by the Senate

Description

Senate File 568 relates to the conduct of elections, including various changes regarding nominations, proposed amendments to the Iowa Constitution, public measures, holding multiple elective offices, voter registration, ballots, voter identification, reporting election results, election audits, presidential elector per-diem, and county seals. Sections 23 and 36 of the Bill have been identified as having potential fiscal impacts.

Section 23: For public measures appearing on a ballot in the month of March or September, Section 23 requires entities requesting the public measure to mail notifications to all households that include a registered voter eligible to vote on the public measure. The notification must include the following information:

- Date of the election.
- Hours during which the polls will be open.
- Information on finding the voter’s polling place.
- Internet site and telephone number of the county commissioner of elections.
- Internet site of the State commissioner of elections.

Background

Iowa Code section 39.2 governs special elections on public measures and sets the following dates on which a public measure election may be held throughout the year:

- First Tuesday after the first Monday in March.
- Second Tuesday in September.
- The first Tuesday after the first Monday in November of an odd-numbered year.

The Iowa Association of School Boards (IASB) reported that between FY 2016 and FY 2020, there were 145 bond-approval elections for school districts across the State (average of 29 per year), and between school years 2015 and 2019 there were 109 physical plant and equipment levy (PPEL) elections across the State (average of 27 per year). Additionally, there are ongoing elections for Secure an Advanced Vision for Education (SAVE) Revenue Purpose Statement reauthorizations across school districts, per Iowa Code section 423F.3. At the end of FY 2020, there were 220 districts with a Revenue Purpose Statement expiring in 2029 or before.

Assumptions

- The governmental entities most affected by Section 23 will be counties, cities, and school districts.
- The cost will depend on whether the public measure is at the county level, city level, or school district level, and the number of households that include a registered voter eligible to vote on the public measure.
- The cost per entity per fiscal year will depend on the number of requested public measure elections each fiscal year.
The cost per entity may depend on the method of mailing (letter or postcard) and whether the mailings are done in-house or outsourced. For purposes of this Fiscal Note, the LSA will illustrate the potential fiscal impact of mailings for one public measure to a varying number of households by both letter and postcard.

For estimation purposes, it is assumed that entities will outsource the mailings; however, for entities that produce and mail the notifications in-house, there may be additional costs associated with staff time.

For estimation purposes, the calculations for letter mailings are based on an estimate provided to a medium-sized county from a local print shop. These estimates include the cost of the letter, envelope, labor, and postage. For estimation purposes, the calculations assume that the price per mailing for the first 1,000 letters would be $0.69; for the next 22,000 letters, $0.52; and for every additional letter above 23,000, $0.51.

For estimation purposes, the calculations for postcard mailings are based on estimates from the IASB and include the cost of printing a 5 x 7 postcard and standard postage presorted.

It is unknown how many public measures will appear on a ballot in the month of March or September and will require entities to mail notifications.

The additional mailing costs for an entity requesting a public measure will depend on whether that entity currently provides mailings on public measures to registered voters. Entities that already mail notifications to voters will not incur additional expenses.

Costs will be incurred by the entity requesting the public measure.

Fiscal Impact
The effect on local government (county, city, or school board) expenditures depends on the number of households with a registered voter eligible to vote on the public measure. The tables below include examples of potential costs per public measure based on the number of households with a registered voter eligible to vote. Table 1 includes estimates for letter mailings and Table 2 includes estimates for postcard mailings.

<table>
<thead>
<tr>
<th>Number of Households With a Registered Voter</th>
<th>Estimated Cost Per Mailing</th>
<th>Estimated Cost Per Public Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000</td>
<td>$0.69</td>
<td>$690</td>
</tr>
<tr>
<td>10,000</td>
<td>0.52</td>
<td>5,200</td>
</tr>
<tr>
<td>25,000</td>
<td>0.51</td>
<td>12,750</td>
</tr>
<tr>
<td>50,000</td>
<td>0.51</td>
<td>25,500</td>
</tr>
<tr>
<td>100,000</td>
<td>0.51</td>
<td>51,000</td>
</tr>
<tr>
<td>300,000</td>
<td>0.51</td>
<td>153,000</td>
</tr>
</tbody>
</table>
Table 2: Estimated Cost for Postcard Mailings Per Public Measure Based on Households With a Registered Voter

<table>
<thead>
<tr>
<th>Number of Households With a Registered Voter</th>
<th>Estimated Cost Per Mailing</th>
<th>Estimated Cost Per Public Measure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,000</td>
<td>$0.66</td>
<td>$660</td>
</tr>
<tr>
<td>10,000</td>
<td>0.42</td>
<td>4,200</td>
</tr>
<tr>
<td>25,000</td>
<td>0.36</td>
<td>9,000</td>
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<tr>
<td>50,000</td>
<td>0.34</td>
<td>17,000</td>
</tr>
<tr>
<td>100,000</td>
<td>0.32</td>
<td>32,000</td>
</tr>
<tr>
<td>300,000</td>
<td>0.31</td>
<td>93,000</td>
</tr>
</tbody>
</table>

There may also be an additional cost for staff time for entities to compile lists and mailings; however, that cost cannot be estimated at this time.

**Section 36:** Requires the Secretary of State’s (SOS) Office to order an audit of all elections. Postelection audits are currently required following each general election.

**Assumptions**
- For estimation purposes, counties may hire between six to eight individuals to conduct the audit at approximately $11 per hour.
- For estimation purposes, postelection audits will take approximately 1.5 hours to complete.

**Fiscal Impact**
Senate File 568 is estimated to cost counties between $100 and $200 per postelection audit. Costs will vary based on the number and size of special elections conducted in a given year.

**Sources**
Office of the Secretary of State
Iowa State Association of Counties
Iowa Association of School Boards
LSA calculations

/s/ Holly M. Lyons
March 29, 2021

The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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