

Multiple Agency Fiscal Note Summary

Bill Number: 1932 HB S-5312.1	Title: Even-numbered year elections
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Estimated Cash Receipts

NONE

Agency Name	2023-25		2025-27		2027-29	
	GF- State	Total	GF- State	Total	GF- State	Total
Local Gov. Courts						
Loc School dist-SPI						
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.					
Local Gov. Total						

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Office of the Secretary of State	Non-zero but indeterminate cost and/or savings. Please see discussion.											
Total \$	0.0	0	0	0	0.0	0	0	0	0.0	0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Office of the Secretary of State	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Agency Name	2023-25			2025-27			2027-29		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Local Gov. Courts									
Loc School dist-SPI									
Local Gov. Other	Non-zero but indeterminate cost and/or savings. Please see discussion.								
Local Gov. Total									

Estimated Capital Budget Breakout

NONE

Prepared by: Cheri Keller, OFM	Phone: (360) 584-2207	Date Published: Final 2/22/2024
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Individual State Agency Fiscal Note

Bill Number: 1932 HB S-5312.	Title: Even-numbered year elections	Agency: 085-Office of the Secretary of State
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Greg Vogel	Phone: 360-786-7413	Date: 02/21/2024
Agency Preparation: Mike Woods	Phone: (360) 704-5215	Date: 02/22/2024
Agency Approval: Mike Woods	Phone: (360) 704-5215	Date: 02/22/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/22/2024

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Changes in 1932 HB S-5312.1 compared to the previous version (ESHB 1932):

Changes were made to Section 2 to limit the authorization to move general elections to even-numbered years to cities and towns only (special purpose district elections would not be allowed to move their elections to even-numbered years only).

Summary of 1932 HB S-5312.1:

Generally, under current law, local governments must conduct elections in odd-numbered years that do not coincide with federal or state elections.

Section 2(6) allows (but does not require) cities or towns to hold its regular elections in even-numbered years by providing notice to the county or counties in which they are located following adoption of an ordinance or policy, and approval by the voters of an ordinance or charter amendment referred by its legislative body. Such ordinance, charter amendment, or policy must be adopted by January 15th of an odd-numbered year for the city or town to begin the transition to even-numbered year elections.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

This bill is permissive. It allows but does not require changes in the election cycles of cities and towns. If cities and towns choose to move their elections to even-numbered years the fiscal impact could be significant.

OSOS has no way to predict the number of cities and towns that would move to even-numbered year elections. Therefore, the impact is indeterminate. However, for purposes of this fiscal note OSOS is providing a projected cost based on the assumptions below.

In many even-year election pamphlets, the pamphlet size approaches the limits of current printing and binding methods. The additional pages from odd-year elections may increase the size of the even year pamphlet to a point where a more expensive method of printing and binding will be required. Therefore, a combined state and county voters' pamphlet may cost significantly more and require that the State and County print their Voters' Pamphlets separately. Printing costs could increase significantly, depending upon the increase in the number of pages.

The state now pays for the state share of election costs in both even-years and odd-years. If a city or town moves their elections to an even year, we expect that it will be possible that the State's even year election cost share could increase significantly if the result of the change creates a second page of the ballot.

Of the 425 city contests that appeared on the ballot in 2023, not even one achieved 80% participation rate mentioned in Section 1. That same section also makes it clear that the legislature wants to boost turnout in all these contests by moving them to the even year, which the OSOS assumes will eventually be all of them.

This version of the bill does not eliminate all odd-year elections, but allows cities and towns to hold only even-numbered year elections. That would mean that the state share of election costs in odd-years would dramatically increase with the reduction of other jurisdictions to share those costs.

While we don't assume that all cities and towns will move to even-year elections immediately, we do assume that eventually all will move as the costs of staying in an odd-year will become more and more cost prohibitive. We anticipate that the state share of election costs could increase by 15% based on the voter turnout data from the most recent General Election and all the increases noted in the Local Government Fiscal Note that indicate that election costs will go up. The cause for this increase would be due to the need for additional staffing to process the additional pages, delays in scanning due to the additional pages, and additional storage needs to store the additional pages. We also anticipate that printing and postage costs would also increase significantly due to the additional pages.

The most recent election cost information shows that annual election costs for Primary and General Election cost approximately \$18,000,000. This would mean that a conservative estimate of 15% increase would be \$2,700,000.

This may also require VoteWA to be updated in several ways to communicate the change to voters, modify individual cities and towns as they decide to determine if they will move their elections to an even-numbered year.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. B - Expenditures by Object Or Purpose

Non-zero but indeterminate cost and/or savings. Please see discussion.

III. C - Operating FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part I and Part IIIA.*

NONE

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

LOCAL GOVERNMENT FISCAL NOTE

Department of Commerce

Bill Number: 1932 HB S-5312.	Title: Even-numbered year elections
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- Cities: Indeterminate changes to election-related costs; public hearing and ordinance adoption costs
- Counties: Indeterminate changes to election-related costs; changes to reimbursements; change in staffing and training
- Special Districts: Changes in proportionate share of election costs
- Specific jurisdictions only:
- Variance occurs due to:

Part II: Estimates

- No fiscal impacts.
- Expenditures represent one-time costs:
- Legislation provides local option: Cities and towns would be allowed to move local election to even-numbered years
- Key variables cannot be estimated with certainty at this time: Net change in the number of ballot pages; need for adjustments to staffing and training; number of cities and towns electing to shift election dates, number of cities and towns electing to move back to odd-year elections, number of municipal judge positions affected by change in election years

Estimated revenue impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Estimated expenditure impacts to:

Non-zero but indeterminate cost and/or savings. Please see discussion.

Part III: Preparation and Approval

Fiscal Note Analyst: Allan Johnson	Phone: 360-725-5033	Date: 02/22/2024
Leg. Committee Contact: Greg Vogel	Phone: 360-786-7413	Date: 02/21/2024
Agency Approval: Alice Zillah	Phone: 360-725-5035	Date: 02/22/2024
OFM Review: Cheri Keller	Phone: (360) 584-2207	Date: 02/22/2024

Part IV: Analysis

A. SUMMARY OF BILL

Description of the bill with an emphasis on how it impacts local government.

CHANGES BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

Removes allowance for special districts to change even-numbered year elections to or from odd-numbered year elections.

Requires cities or towns changing from odd-numbered year elections to even-numbered year elections to conduct both two public hearing and an election by residents.

SUMMARY OF CURRENT BILL VERSION:

Cities or towns may choose to hold their elections in even-numbered years instead of odd-numbered years.

To select this option, the legislative body of the jurisdiction may adopt an ordinance or policy, or voters may approve an ordinance or charter amendment referred by the legislative body. A city or town moving its elections through adoption of an ordinance or policy by its legislative body must hold two public hearings at least 30 days apart to consider public input. The city or town must subsequently receive approval from residents by vote to enact this change. A final vote may not occur sooner than 30 days after the second hearing.

If a city or town chooses to switch its elections to even-numbered years, the term lengths of officers elected in the next odd-year election must be one year shorter than provided by law.

The choice to switch must be adopted before January 15th of an odd-numbered year to take effect in that election cycle.

A city or town that chooses to switch back to odd-numbered year elections must transition back with similarly shortened terms. Terms lengths of officers elected in the subsequent odd-year election shall be one year shorter than provided by law.

The election of municipal judges may be moved to even-number years in a manner similar to that for other elected officials of the municipality.

B. SUMMARY OF EXPENDITURE IMPACTS

Expenditure impacts of the legislation on local governments with the expenditure provisions identified by section number and when appropriate, the detail of expenditures. Delineated between city, county and special district impacts.

CHANGES IN EXPENDITURE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

This version would result in an indeterminate change in expenditure impacts. Eliminating the ability of special districts to switch election cycles would reduce the expenditures impacts while the requirement for cities and towns to conduct two hearing as well as an election to move from odd-numbered year elections to even-numbered year elections would result in an increase in expenses for those jurisdictions.

The legislation is silent on the method for cities and towns to return to odd-numbered year elections from even-numbered year elections so expenditures cannot be estimated in these circumstances.

The overall analysis remains indeterminate.

EXPENDITURE IMPACTS OF CURRENT BILL:

This legislation could result in an indeterminate change in expenditures by local governments. The net change in expenditure impacts cannot be calculated and are indeterminate.

County auditors could experience a change in personnel and training costs as elections staff are hired or released in response to the change in workload. The reduction of ballot measures in odd-numbered years could make it difficult for

some currently permanent staff to be retained on an ongoing basis. The Washington State Association of County Auditors (WSACA) indicates that with the loss of revenue from reimbursements from cities and towns in odd years, county legislative authorities may not fund elections operations at the current rate. These impacts are indeterminate, however and will depend upon the net change in the number of staff dismissed and hired, as well as the scale of recruitment and training that may be required.

In addition to impacts related to elections staff, counties may incur costs related to the retention of temporary election board workers. WSACA indicates that increasing the time interval between elections may lead to challenges retaining temporary workers and may require additional re-training for returning workers. These impacts are indeterminate, however, and will depend on the scale of recruitment and training that may be required.

Direct elections costs for things like ballot and voter pamphlet printing would likely increase in even-numbered year elections, as there would be more items on the ballot. The net change in the number of ballot pages needed to conduct primary and general elections cannot be predicted, however. The number of additional ballot pages would vary by jurisdiction and supplemental costs for items such as printing, postage, assembly, labor and other factors. In addition, variables such as the number of voters receiving the additional pages and the length of page needed to accommodate all ballot measures would also impact expenditures. Costs associated with an increase or decrease in ballot printing costs, postage, and ballot processing costs related to a change in the number of ballot pages cannot be predicted in advance and are indeterminate.

In addition to increased expenditures for supplemental ballot pages, changes are also expected for costs such as those associated with proofing ballots and providing voter pamphlets. WSACA anticipates that the direct costs associated with elections that would be avoided from cities and towns not holding elections in odd-numbered years would likely be pushed in even-numbered years, with a net effect of little impact on direct election costs. The exact magnitude of this impact, however, is indeterminate.

Cities and towns may incur costs to revise local provisions relating to the election of councils or boards of directors. These costs cannot be estimated with accuracy and are indeterminate.

Cities and towns needing to conduct standard elections or other ballot measures during odd-numbered election years may experience a significant increase in costs as they would incur a larger proportional cost related to the election. The need for incurring these costs will depend upon unique circumstances that cannot be predicted in advance. Associated impacts on expenditures are indeterminate.

WSACA indicates that in order to comply with federal elections law, elections offices must contact voters at least once annually. This requires that counties send mailers at a cost of approximately \$1 per voter to cover printing, postage and processing costs. This expenditure would increase proportionate election costs for special districts in counties where a large number of cities and towns choose to move to even-numbered year elections. The magnitude of this expenditure impact is indeterminate, as it would depend on the number of registered voters in a given year, as well as which cities or towns, if any choose to eliminate local elections in odd-numbered years.

Cities and towns may incur additional proportionate costs related to maintaining voter lists and processing undeliverable ballots, according to WSACA, as address updates are requested from voters during and after elections in response to undeliverable ballots. These costs would likely increase in even-numbered year elections if a large number of odd-numbered year elections were eliminated, but the magnitude of that impact is indeterminate.

Election costs are apportioned to all jurisdictions participating in an election. All cities, towns, counties and special districts are likely to experience an indeterminate change in election costs for changes to any election by cities and towns. This impact is indeterminate.

C. SUMMARY OF REVENUE IMPACTS

Revenue impacts of the legislation on local governments, with the revenue provisions identified by section number, and when appropriate, the detail of revenue sources. Delineated between city, county and special district impacts.

CHANGES IN REVENUE IMPACTS BETWEEN THIS VERSION AND PREVIOUS BILL VERSION:

Changes would decrease revenue impacts related to changes in the election cycles for special districts.

The overall analysis remains indeterminate but likely negative.

REVENUE IMPACTS OF CURRENT BILL:

This legislation could result in an indeterminate decrease in revenue to counties.

According to WSACA, a large portion of county funding for elections operations comes from billing local jurisdictions for their prorated amount of elections costs, and counties experiencing a reduction in the number of odd-year elections would see an indeterminate decrease in this revenue stream. A portion of odd-year reimbursements, however, go toward covering operational costs such as staff salaries, hardware and software maintenance, building charges, phones, and software subscriptions. With a reduction in the number of elections in odd-numbered years, counties would lose an indeterminate amount of revenue from local reimbursements allocated for covering these costs.

Even though even-year revenue may increase slightly due to increases in factors such as ballot length and additional pages, it is unlikely that revenue increases related to even-year reimbursements will offset the odd-year reimbursement decrease.

It is unknown how much local reimbursement revenue from cities and towns to counties may decrease statewide, as well as what fraction of reimbursements for any given election is tied to direct elections costs versus operational costs, so the magnitude of this revenue impact is indeterminate.

SOURCES:

Association of Washington Cities

Local Government Fiscal Note Program, FN HB 1727 (2022)

Office of the Secretary of State

Washington Association of County Officials

Washington State Association of County Auditors

Washington State Association of Counties