

FISCAL IMPACT OF PROPOSED LEGISLATION

79th Oregon Legislative Assembly – 2017 Regular Session
Legislative Fiscal Office

Measure: SB 683 - 2

***Only Impacts on Original or Engrossed
Versions are Considered Official***

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Measure Description:

Requires state to pay for ballot return envelopes that can be returned by business reply mail for each election held in this state.

Government Unit(s) Affected:

Secretary of State

Summary of Expenditure Impact:

It is difficult to determine the costs of the measure because there are a number of variables that will drive the cost. A discussion of these variables is provided below.

Analysis:

The bill requires the state to pay for and send postage-paid envelopes with ballots mailed to voters serving in or who have been discharged for not more than 30 days from the Armed Forces of the United States, as well as to voters who meet the legal definition of a person with a disability. The measure applies to elections held on or after January 1, 2019. The fiscal impact of this measure is indeterminate for several reasons, including that the number and frequency of elections vary and the number of voters meeting the criteria in the measure is unknown at this time.

The direct fiscal impact associated with this bill will be incurred by the Secretary of State (SOS) as a result of requiring the state to provide pre-paid postage for ballots for all elections. The SOS would setup Business Reply Mail (BRM) accounts with the United States Postal Service (USPS), and print and distribute postage-paid envelopes for insertion with qualified ballots. Cost estimates to the SOS are dependent on the number of voters eligible for postage-paid envelopes. It should be noted that, under the measure, postage costs incurred would be for the last six months of the 2017-19 biennium only; however, there would be a significant percentage increase in 2019-21 as the measure would need to be funded for the full 24 months of the biennium. The SOS Elections Division does estimate costs of approximately \$22,000 General Fund for system upgrades that would need to be completed to track individuals who qualify for free return postage. It is also anticipated that there would be costs for outreach to ensure that qualified individuals are aware of the benefit.

As stated above, more analysis is needed to estimate how many people would qualify and the total costs that would be incurred by the SOS. Given the current and future costs associated with this measure, it is recommended that it be referred to the Joint Committee on Ways and Means for further consideration.