

FISCAL IMPACT OF PROPOSED LEGISLATION

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

Measure: SB 683

***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, Counties

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 and the potential range of costs for both 2017-19 and 2019-21 biennia is provided below.

Analysis:

The bill requires the state to pay for and send a postage-paid envelope with all ballots mailed. The measure applies to elections held on or after January 1, 2019. The fiscal impact of this measure is indeterminate for a number of reasons, including that the number and frequency of elections vary and the impact of this measure on the number of ballots that will be mailed is unknown. Other recent changes to election and voter registration processes and requirements may also affect the volume of voting and mailed ballots.

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 to the counties for insertion with all ballots. Cost estimates to the SOS are likely to range from \$200,000 to \$500,000 General Fund in the 2017-19 biennium due to the fact that the measure would only be in effect for the last six months of the biennium. However, the SOS Elections Division estimates that the cost could increase to somewhere between \$1.3 to \$2.6 million General Fund in the 2019-21 biennium, depending on whether one-half or all ballots are returned by mail.

Fiscal estimates are based on historic numbers of ballots cast by mail. As stated above, this analysis does not fully account for an increase in the number of mailed ballots due to recent changes in the law regarding voter registration. In addition, the estimate is based on current USPS rates; the estimated cost would increase if postal rates for BRM services increase. Given the current and future costs associated with this measure, it is recommended that the measure be referred to the Joint Committee on Ways and Means for further consideration.