

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 98 (2nd Edition)

SHORT TITLE: Four-Year Terms

SPONSOR(S): Rep. Ronnie Sutton

FISCAL IMPACT

Yes (X) No () No Estimate Available (X)

FY 1999-00 FY 2000-01 FY 2001-02 FY 2002-03 FY 2003-04

REVENUES

EXPENDITURES

Constitutional Amendment
Terms of Office - No estimate Available

Secretary of State Publication Requirements
Statewide plan \$50,000 NR
Minimum \$1,200 NR

POSITIONS: NONE

PRINCIPAL DEPARTMENT(S) &

PROGRAM(S) AFFECTED: State Board of Elections, Secretary of State

EFFECTIVE DATE: Constitutional amendments subject to voter approval on November 2, 1999. Conforming changes to constitutional provisions take effect only upon voter approval of the constitutional amendments.

BILL SUMMARY: This bill amends Article II, sections 2, 4 and 8 of NC Constitution to provide for four-year terms for state Senators and members of the state House of Representatives, beginning with the general election in 2000. The constitutional amendment is subject to voter approval at the election held on Tuesday after the first Monday in November 1999. The bill makes conforming changes to other constitutional provisions, General Statutes, and local acts that now use as date of election to fill vacancies the date of the next election for members of General Assembly.

ASSUMPTIONS AND METHODOLOGY:

State Board of Elections

The amendment that is proposed by this bill is subject to voter approval at the November 2, 1999 election. The State Board of Elections reimburses all of the counties for the cost of the notices, advertisements, and publications concerning the constitutional amendment and for programming the voting machines or for paper ballots for those counties which use state ballots for precinct and absentee voting. The state also reimburses the counties for the cost of opening precincts that would only be opened for voting on the proposed constitutional amendment. This includes the payment for the precinct officials (a minimum of 3 for each precinct), rent for polling places, payment to county board members for their attendance at/on the absentee ballot meeting, election day, and canvass day and any other cost incurred for opening the precinct.

Legal Advertisement:

The county boards of elections are required to give the public notice that a proposed constitutional amendment will be on the ballot. The advertisements must run in the local newspaper on 3 separate occasions prior to the election. The State Board of Elections is required to reimburse the counties for the costs of the notices, advertisements, and publications concerning the constitutional amendment. The estimated cost for these legal ads is \$100,000 (\$1,000 average county cost * 100 counties).

Paper Ballots

The State Board also estimates that it must print and distribute 110,000 paper ballots plus sample ballots to those counties which use state ballots for precinct and absentee voting. The cost is estimated to be \$5,000.

Precinct Cost

If the proposed amendment to the constitution is on the ballot in November, all of the precincts in the state must be opened. However, because statewide elections are not usually held in odd years and because not all of the counties will have county and/or municipal elections in November that would require all of their precincts to be opened, some precincts will be opened only for voting on the proposed amendment. The state reimburses the counties for the cost of opening precincts that would not be opened but for voting on the state issue. (Most of the counties will have nonpartisan municipal elections in October and runoff elections in November if needed. Counties with the larger municipalities will hold partisan elections in October and general elections in November. There are a few counties which will hold elections in November and any needed runoff elections in December.)

At this time the State Board of Elections does not know which precincts will be opened in November for local issues. This cannot be accurately determined until after the October elections. Also, because rental cost and staffing requirements vary by precinct, the cost of opening a precinct varies. Thus, without knowing how many and which precincts will be opened only for voting on the proposed constitutional, the Board cannot accurately estimate the cost to the state for having a proposed constitutional amendment on the ballot in an odd year. However, the Board's best estimate based on data for the 1993 election and the 1998 general election is that the state's share of the cost would be between \$2.2 million and \$3.3 million. (The Board reimbursed approximately \$1.5 to the counties in 1993 when one constitutional amendment and 4 bond referendums were on the ballot and it estimates that the total cost of the 1998 general elections when all precincts were opened was approximately \$5.5 million.)

Because of the lack of data on the number of precincts that will be opened only for the constitutional amendment as well as the variances in the precinct costs, the Fiscal Research Division cannot reasonably estimate the state's reimbursement to the county boards of elections for placing a constitutional amendment on the ballot. We cannot, therefore, concur with the Board's estimate.

Secretary of State:

General Statute §147-54.10 requires the Constitutional Amendments Publication Commission within the Secretary of State's Office to prepare an explanation of a proposed amendment in simple and commonly used language at least 60 days prior to the election in which the proposed amendment will appear on the ballot. The Secretary of State is responsible for printing the summary in a quantity to be determined by the Secretary. A copy of the summary must be sent to each county board of elections. The Secretary must also make copies available, in a manner within his/her discretion, to any registered voter or representative of the print or broadcast media making a request for the document.

The Secretary of State provided two estimates for the cost of administering the publication provisions of G.S. 147-54-10.

Their first estimate of \$50,000 is based on a **statewide informational plan** that would generate public discussion about the proposed constitutional amendment. Specifically, the Secretary would proposed to distribute copies of the summary to the media outlets, run radio public service announcements, and place links on commercial websites to make the public aware that a summary of the proposed constitutional amendment is available from the Secretary of State's Office. This estimate includes:

1. \$2,000 for printing and mailing 2 detailed packages of information about the proposed amendment to each of the 100 county boards of elections and the 400 media outlets;
2. \$8,000 to print (and mail upon request) 10,000 standard packets of information for distribution to the public;
- 3.\$35,000 for running public service announcements for 10 days on the North Carolina News Network; and
4. \$5,000 to place links leading to an explanation/discussion site on the Internet.

Fiscal Research notes that each of these components could be handled independent of the other; or, only 1, 2 or 3 of the 4 could be undertaken, at the cost estimated.

A second estimate of \$1,000 would allow the Secretary of State to meet the **minimal requirements of the statute**. This estimate includes the cost of 1,500 copies of a brochure which explains the proposed constitutional amendment and the cost for mailing the brochures to each of the county boards of elections and to registered voters or members of the media who request a copy of the summary. This estimate includes printing only a small number of the brochures because, the Secretary believes there would be little demand for the brochures unless it takes the steps noted in its first proposal to make the public aware of the availability of the explanation.

The Fiscal Research Division believes that the second estimate for \$1,000 will allow the Secretary of State to satisfy the requirements of the statute. However, we also believe the plan for making the public aware of the availability of the explanation which is the basis for their \$50,000 estimate is not unreasonable, and recommend consideration of funding this plan at a reduced level.

TECHNICAL CONSIDERATIONS: none

FISCAL RESEARCH DIVISION 733-4910

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