

Department of Planning and Budget 2022 Fiscal Impact Statement

1. Bill Number: HB76

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|-----------------|-------------------------------------|--------------|--------------------------|------------|--------------------------|-----------|
| House of Origin | <input checked="" type="checkbox"/> | Introduced | <input type="checkbox"/> | Substitute | <input type="checkbox"/> | Engrossed |
| Second House | <input type="checkbox"/> | In Committee | <input type="checkbox"/> | Substitute | <input type="checkbox"/> | Enrolled |

2. Patron: Ware

3. Committee: Privileges and Elections

4. Title: Absentee voting; reimbursement of costs.

5. Summary: Requires the General Assembly to establish in the general appropriation act a reimbursement plan to reimburse counties and cities, fully and annually, for the cost of conducting absentee voting in the locality.

6. Budget Amendment Necessary: Yes – see Item 8.

7. Fiscal Impact Estimates: Preliminary; see Item 8.

8. Fiscal Implications: The bill provides that the General Assembly shall establish a reimbursement plan in the general appropriation act and each county and city shall be fully reimbursed annually in accordance with the plan for the cost of conducting absentee voting in the locality. Therefore, the amount of any budget amendment is indeterminate and would depend on the reimbursement plan established by the General Assembly in the appropriation act.

As an example of potential cost estimates to staff early voting locations, the Department of Elections has identified 178 locations that are available for early voting. Using the current 45 day early voting window, it assumed that the offices would be open for 8 hours per day for 32 days prior to the election with two people on staff at an average hourly staff rate of \$21 per hour across the state. It's estimated that the cost to reimburse the current early voting locations would be \$10,752 per site for a total estimated cost of \$1,913,856. Another example of potential costs is prepaid postage for the return of absentee ballots by mail. The Department of Elections reimbursed localities \$658,201 for the 2020 elections and currently expects to reimburse \$234,618 for the 2021 elections from one-time appropriation provided in Chapter 1, 2020 Acts of Assembly, Special Session I. Ongoing funding to reimburse localities for prepaid postage is not included in the agency's base budget. Estimates for other potential printing, postage, and other costs associated with absentee voting are unavailable at this time.

Depending on the reimbursement plan established by the General Assembly, the Department of Elections may also need an increase in staffing to process reimbursement costs.

9. Specific Agency or Political Subdivisions Affected: Virginia Department of Elections, State Board of Elections, and localities (General Registrars and Electoral Boards).

10. Technical Amendment Necessary: No.

11. Other Comments: While ongoing funding to reimburse localities for prepaid postage for the return of absentee ballots is not provided in the agency's base budget, one-time funding of \$2.0 million from the general fund was provided in Chapter 1, 2020 Acts of Assembly, Special Session I, and unexpended funding is required to be carried forward at the end of each fiscal year to remain available for such purposes. Based on the current estimated reimbursement of \$234,618 in fiscal year 2022, remaining appropriation from this funding available in fiscal year 2023 is estimated to be \$1.1 million.

Date: 1/19/2022