State and Local Fiscal Impact of SB 241

OVERVIEW

The Georgia General Assembly is swiftly considering a slate of election administration bills this session that would have significant financial and operational impacts on county and state election offices. To support stakeholders engaging in the legislative debate, see the following independent fiscal analysis of Senate Bill 241.

<u>Like recent analysis</u> released on HB 531, SB 67, SB 68, and SB 69, this memo is intended to be a helpful, interim guidepost for stakeholders. These findings are not comprehensive of all changes proposed in SB 241, and the analysis was completed quickly – matching the pace of the bill's release and hearing schedule. **Given the sweeping changes proposed in this bill, lawmakers are strongly encouraged to request an official fiscal note and to engage state and local election officials in deliberations.**

Among other proposed changes, SB 241 would:

- eliminate no-excuse absentee voting;
- require voters to submit additional identification when requesting and returning absentee ballots, including witness signatures for ballot return; and
- establish a voter fraud and intimidation hotline.

These three components of SB 241 could, alone, cost Georgia over \$28 million in the next election cycle. The vast majority of these costs would fall on counties and would recur each election cycle – making elections less efficient and cost-effective over the long-term. A combined summary of costs per policy proposal are below, followed by a methodology overview.

Estimated Minimum Cost of SB 241

Policy & Effect	Statewide Costs Per Election Cycle	
Cost of Eliminating No-Excuse Absentee Voting	\$8,881,003.20	
Diverting absentee voters to in-person voting	\$5,264,211.20	
Voter education	\$3,616,792	
Absentee Ballot Application & Return ID Reqs.	\$6,829,279.89	
Voter Registration System Updates	\$1,336,815.23	
Secure Storage for Personal ID Documents	Undetermined additional cost	
Issuing Free Identification Documents	\$940,365.92	
Diverted Absentee Voters to In-Person	\$846,418.56	
Slower Ballot Verification	\$88,888.18	
Absentee Ballot Material Redesign	Undetermined additional cost	

Election Staff Retraining	Undetermined additional cost
Cost of Voter Fraud Hotline	\$342,917.00
Cost of Litigation	\$12,000,000.00
Total Estimated Fiscal Impact	\$28,053,200.09

I. FISCAL IMPACT OF ELIMINATING NO-EXCUSE ABSENTEE VOTING

We estimate that eliminating no-excuse absentee voting will cost Georgia counties at least **\$8.88 million dollars** each election cycle.

Estimated Cost of Eliminating No-Excuse Absentee in Georgia

Policy Effect	Statewide Costs Per Election
Diverting absentee voters to in-person voting	\$5,264,211.20
Voter education*	\$3,616,792
Total	\$8,881,003.20

^{*}Note that voter education will be crucial for all provisions of SB 241, but we only include this line item once, as a minimum estimate.

Cost of Diverted Absentee Voters

SB 241 eliminates no-excuse absentee voting and will divert a significant number of voters to an in-person voting option – which is more expensive to administer. In <u>Colorado</u>, after implementation of mail voting, counties' average costs per vote decreased from \$15.96 to \$9.56, a difference of \$6.40. This suggests that transitioning a voter from mail to in-person voting would result in an increased cost for counties of \$6.40 per voter. 1,322,529 absentee ballots were cast in Georgia in 2020, out of 4,999,960 total votes (about 26.5% of all votes).

In states like <u>Mississippi and Texas</u> without no-excuse absentee voting, only about 10% and 11% of all votes were cast by absentee ballot in 2020, respectively. If we assume the changes proposed in SB 241 cause absentee voting to drop to 10%, diverting 822,533 voters to vote in person [1,322,529 - (4,999,960 * 0.10)], the increased cost of in-person voting for counties would be **\$5,264,211.20** (822,533 * \$6.40).

Cost of Voter Education

SB 241 would require state and local election officials to undertake a significant voter education effort to ensure that all Georgia voters understand the new absentee voter eligibility, ballot request, and ballot return requirements. We estimate that Georgia counties would need to spend at least \$0.50 per voter when conducting due diligence public education on new absentee voter rules, with recurring education each cycle. With 7,233,584 active registered voters in the state, this would amount to \$3,616,792 in total voter education costs. Sample county-level estimates are shown below based on current active registered voter data from the SOS website (dated Feb. 8, 2021).

County	Active Registered Voters	Cost of Voter Education	Total Extra Cost
Chatham	209,000	\$0.50	\$104,500.00
Cherokee	194,402	\$0.50	\$97,201.00
Dougherty	63,534	\$0.50	\$31,767.00
Floyd	61,944	\$0.50	\$30,972.00
Fulton	819,937	\$0.50	\$409,968.50
Lowndes	77,262	\$0.50	\$38,631.00

II. FISCAL IMPACT OF ABSENTEE BALLOT APPLICATION AND RETURN IDENTIFICATION REQUIREMENTS

Georgia legislators have sponsored multiple bills that would require voters to include a photocopy of an ID or a driver's license number when requesting and returning an absentee ballot, including SB 241, HB 531 and SB 67. This provision would generate costs, including: changes to the state voter registration system, a redesign of absentee ballot application materials, staff retraining, public education, and the provision of additional free ID cards. In total, we estimate the proposed ID requirement for absentee voting would cost \$6,829,279.89 in the next election.

Estimated Cost of Absentee Ballot Application and Return ID Requirements

Effect of Absentee Ballot Request ID	Statewide Costs Per Election Cycle		
Voter Registration System Updates	\$1,336,815.23		
Secure Storage for Personal ID Documents	Undetermined additional cost		
Issuing Free Identification Documents	\$940,365.92		
Diverted Absentee Voters to In-Person	\$846,418.56		
Slower Ballot Verification	\$88,888.18		
Absentee Ballot Material Redesign	Undetermined additional cost		
Election Staff Retraining	Undetermined additional cost		
Total	\$6,829,279.89		

Costs of Voter Registration System Updates

Georgia would need to push updates to its central voter registration system in order to implement an ID requirement for absentee ballot applications. This includes programming new data entry fields, adding new prompts for election workers, and increasing data storage capacity to save scans of voter ID documents. When Wisconsin enacted its ID requirement for absentee ballot applications in 2011, the <u>fiscal note</u> for the bill estimated that updates to the statewide voter registration system would cost \$1,131,000 (in 2011 dollars), including both system modifications and user testing. Adjusting for inflation, this software update could cost Georgia

\$1,336,815.23 (converting February 2011 dollars to January 2021 dollars using the <u>Bureau of Labor Statistics calculator</u>).

Note that we were unable to estimate costs for additional, secure data storage needed to accommodate an influx of photo ID files. In 2020, Wisconsin had to significantly adjust the storage capacity of its voter registration system to accommodate the file size of photo ID images submitted by voters applying for absentee ballots. According to a 2020 report from the Wisconsin Election Commission, "[m]ultiple increases of memory were needed to keep pace with absentee requests and attached copies of photo ID's...Photo files are very large, therefore the storage and capacity in WisVote had to be significantly adjusted." Additionally, Georgia election officials may need additional physical storage capacity and security to safely store physical copies of photo IDs submitted by absentee voters upon both request and ballot return. This likely cost is also not included in the above estimate, but is notable.

Cost of Issuing Free Identification Documents to Eligible Voters

DDS offers <u>free IDs</u> to all eligible voters who currently lack one and wish to vote absentee. Because HB 531 creates challenges for would-be absentee voters without a DDS-issued ID or access to a printer or photocopier, the bill will increase voter uptake of the free voter ID option.

Kentucky's SB 2 enacted last year included a fiscal impact analysis showing the provision of free IDs could cost the state up to \$3,620,000. This number will likely be lower in Georgia, since the state already has in-person photo ID requirements (unlike Kentucky), but the costs would likely still be significant. In 2011, Indiana reported spending \$13/free voter ID card.

Georgia had 7,233,584 active registered voters in 2020. If we assume that just 1% of those voters wish to vote absentee each election cycle and do not possess an updated ID card, the cost to the state would be **\$940,365.92** (7,233,584 * .01 * \$13).

Cost of Slower Ballot Verification

The National Vote at Home Institute (NVAHI) produced an <u>operational toolkit</u> to help election officials anticipate staffing and resource needs for administering absentee voting. Based on interviews with election officials across the country, they offer baseline time and cost estimates for discrete aspects of the absentee voting process.

NVAHI estimates that an election worker can manually verify voter signatures for 180 absentee ballots per hour and that the average election worker is paid \$16/hr. By layering ID photocopy and witness requirements onto existing signature matching requirements, SB 241 will effectively triple the time needed for ballot verification—generating additional labor costs.

For this calculation, we use 2020 voter turnout figures but assume only 10% of voters (499,996; 4,999,960 * 0.10) will choose to vote by mail, due to SB 241's proposed elimination of no-excuse absentee. We also assume that only 60 ballots can be verified per person per hour, due to the additional requirements. Verifying this number of ballots at lower efficiency would cost counties **\$88,888.18** in labor costs per election. [(499,996/60)*\$16] - [(499,996/180)*\$16]

III. FISCAL IMPACT OF VOTER FRAUD HOTLINE

SB 241 would require the Georgia Attorney General's Office to establish a voter fraud and intimidation hotline and to review each complaint or tip within three business days. To implement this provision, the state would need to hire additional staff to intake, review, and coordinate investigations based on incoming information year-round. A similar Virginia bill that would have required state officials to consistently investigate allegations of election fraud included a fiscal note of \$342,917. This sum includes three new staffers tasked with reviewing evidence, coordinating investigations, and providing basic administrative support associated with this new function. We were unable to develop an estimate for technological and vendor costs associated with setting up a hotline and would offer Virginia's fiscal estimate of \$342,917 as an analog for this provision in Georgia. This is a baseline estimate to keep such a system up and running, and does not take into account an influx of tips and the resource needs for detailed investigations.

IV. FISCAL IMPACT OF LITIGATION

Key provisions of SB 241 (and other House and Senate bills) – including changes to absentee ballot rules, early voting schedules, dropbox availability, and polling places – will inevitably trigger litigation. Laws mirroring SB 241 enacted in other states have resulted in massive attorney's fees for the state. In 2016, federal courts struck down as racially discriminatory an omnibus North Carolina election law. As part of the judgment against North Carolina, the state was required to pay plaintiffs' attorneys fees and costs of \$5,922,165.28. Similarly, after Texas's photo ID law was successfully challenged, the state was required to pay plaintiffs' attorneys fees and costs of \$6,790,333.31. A lawsuit against Georgia challenging this bill is likely to result in attorney's fees in the same range, not to mention the costs state attorneys must spend defending the law, which are likely to be equally high. Thus, by passing this law Georgia is creating costs of at least \$6 million dollars, and potentially exposing itself to another \$6 million in attorney's fees should it lose, for a total cost of \$12 million.