

MD

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DATE PREPARED: February 28, 2011
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LB 566

Revision: 00

FISCAL NOTE

LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES *				
	FY 2011-12		FY 2012-13	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS	\$358,500		\$35,850	
CASH FUNDS	See Below	See Below	See Below	See Below
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS	See Below	See Below	See Below	See Below

*Does not include any impact on political subdivisions. See narrative for political subdivision estimates.

LB 566 changes provisions of the Election Act by providing for eligible petition signers to sign a petition by use of an electronic signature.

Section 3 provides definitions for the following terms: Electronic signature, Eligible signer, Petition, Petition sponsor, Registered participant, State agency, and State qualified data.

Section 4 requires the Secretary of State to provide for the submission of electronic signatures for every petition unless the petition sponsor opts out of the use of electronic signatures.

Section 5 establishes a \$10,000 fee for initiative petitions proposing a constitutional amendment and \$5,000 for any other petition. A petition sponsor who cannot afford the filing fee may file a qualifying affidavit in lieu of the filing fee. The bill does not specify a fund to which such fees shall be remitted. Section 15 creates the Petition Operations Fund to be used for purposes of carrying out sections 2 to 16 of the act. If the intent is for section 5 fees to be remitted to this fund, the bill's language should specify such.

The Secretary of State is unable to determine how much, if any, revenue the fees in section 5 will generate. This will be dependent on the number of petition sponsors opting for electronic signatures who are able to afford the fee.

Section 7 requires the Secretary of State to mail a post card by US mail to petition signers notifying them that their signature has been received, identifying the petition to which the signature is attached. The cost of such mailings will vary from one year to another due to the number of petitions utilizing electronic signatures and the number of signatures on each petition.

Section 14 allows for contributions that shall be remitted to the Petition Operations Fund. No estimate for such contributions can be made.

Section 16 allows for revenue generation via a web site linking program. The bill does not specify a fund to which such fees shall be remitted. If the intent is for section 16 fees to be remitted to this fund, the bill's language should specify such. The Secretary of State is unable to estimate how much, if any, revenue the linking program will generate.

The Secretary of State estimates \$358,500 to develop and implement the required computer hardware and software with ongoing annual system maintenance of \$35,850. These estimates appear to be reasonable. These estimates are based on cost estimates provided to the Secretary of State from the Office of the CIO. Since the Cash Fund revenue cannot be determined and the costs would need to be paid up-front, these system costs are included as General Funds.

DEPARTMENT OF ADMINISTRATIVE SERVICES

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COMMENTS			
SECRETARY OF STATE – No basis to dispute agency analysis and estimate of increased expenditure and undetermined revenue fiscal impacts.			

