

LEGISLATIVE FISCAL ESTIMATE

[Second Reprint]

SENATE, No. 2580 STATE OF NEW JERSEY 219th LEGISLATURE

DATED: SEPTEMBER 1, 2020

SUMMARY

- Synopsis:** Requires county boards of election to establish ballot drop boxes in each county at least 45 days before election; revises procedures concerning mail-in ballots for 2020 general election.
- Type of Impact:** Annual State and local government cost increases; annual local revenue increases.
- Agencies Affected:** Division of Elections, Department of State; county boards of elections.

Office of Legislative Services Estimate

Fiscal Impact	<u>Annual</u>
State Cost Increase	Indeterminate
Local Cost Increase	Indeterminate
Local Revenue Increase	Indeterminate

- The Office of Legislative Services (OLS) estimates that the bill will result in indeterminate annual State and local government cost increases to provide ballot drop boxes for all elections in the State. However, there will be no net increase in State and local expenditures through December 31, 2020 because all costs associated with the ballot drop boxes are being reimbursed from federal Coronavirus Aid Relief, and Economic Security Act (CARES Act) funding through year end.
- Any local costs incurred after this date to meet the requirements of the bill are not eligible for federal reimbursement; however, the bill provides that counties and municipalities are to be reimbursed from the State General Fund for any expenditures needed to implement the provisions of this bill.
- The OLS notes that many of the requirements of the bill coincide with those of Executive Order 144 requiring the procurement of secure ballot drop boxes for the July 7, 2020 primary elections. This bill expands that requirement to any subsequent election in the State. The Division of Elections informed the OLS that, in accordance with Executive Order 144, it

had purchased five ballot drop boxes for each county in the State using CARES Act funds at a cost of \$5,000 per box for a total procurement cost of \$525,000. The order required the drop boxes to be placed in locations that are readily accessible to registered voters in the county. Each of the 105 ballot drop boxes has been delivered and, at the time of this writing, are in the process of being installed, secured to the concrete, and placed in locations with video surveillance capability.

- The OLS notes that the bill requires each county to have five additional drop boxes installed, at the latest, by September 19, 2020 to meet the requirement in the bill that each county have 10 drop boxes installed at least 45 days prior to the election. All drop boxes purchased by December 31, 2020 would be eligible to for CARES Act funding. Using the pricing provided by the division from the original purchase of 105 drop boxes, the OLS assumes that purchasing an additional 105 drop boxes would cost \$525,000, plus installation costs.
- The bill incorporates certain requirements for the conduct of a primarily vote-by-mail election for the 2020 general election including, but not limited to mailing ballots to all active and registered voters; affixing prepaid First-Class postage to all vote-by-mail return envelopes; suspending the mailing of sample ballots; closing schools on the day of the general election; establishing COVID-19 safety measures and protocols at polling places; establishing a minimum number of polling places in each municipality and county; and establishing protocols to accommodate canvassing and certification timelines. These provisions to establish mail-in voting procedures for the 2020 General election will have an indeterminate expenditure increase to the State.
- The OLS notes that the bill provides for an appropriation from the State General Fund to the Department of State of the sums necessary to establish mail-in voting procedures for the 2020 General election and to reimburse counties and municipalities for the costs of implementing its provisions.

BILL DESCRIPTION

This bill requires county boards of election to establish mail-in ballot drop boxes in each county at least 45 days before the election. Under current law, voters who vote using a mail-in ballot may deposit their ballot in the mail or may deliver it in person to the county board of elections or provide it to a mail-in ballot bearer to deliver their ballot. This bill would also entitle mail-in voters to deposit their ballot in a ballot drop box before the time designated for the closing of the polls on election day.

Under the bill, the county board of elections in each county would establish ballot drop boxes throughout the county in accordance with the bill. Ballot drop boxes are defined under the bill, as amended, to mean a secured drop box that is not required to be within view of a live person for monitoring, and must be (1) available for use by a voter 24 hours a day and (2) placed at locations equipped with security cameras that allow for surveillance of the ballot drop box. Drop box locations would be required to be accessible to voters with disabilities.

The bill, as amended, requires at least one ballot drop box to be placed at each of the following locations: (1) any county government building in which the main office of the county clerk is located; (2) any municipal government building in which the main office of the municipal clerk is located in municipalities with populations larger than 5,000 residents; (3) the main campus of each county community college; (4) the main campus of each State college or university; and (5) the

main campus of each independent four-year college or university with enrollments larger than 5,000 students. If upon establishing the drop boxes at each of these locations the county has fewer than 10 ballot drop boxes, the board of elections is to establish additional locations until there are at least 10 ballot drop boxes in the county. The additional drop boxes are to be placed at county or municipal government buildings.

The bill requires the Secretary of State, in consultation with county boards of elections, to establish the rules and regulations necessary to ensure the secure and successful implementation of the mail-in ballot drop boxes. The rules and regulations would include, but may not be limited to, criteria for each county board of elections to: (1) determine the number of ballot drop boxes required per voter population, considering both the number of registered voters and the number of registered mail-in voters in each county before each election; (2) select the geographic location of each ballot drop box, ensuring an equitable distribution of ballot drop boxes across the county to maximize convenience to voters; (3) ensure the accessibility of ballot drop boxes and drop box locations to persons with disabilities; and (4) maintain the security of ballot drop boxes and of the ballots deposited therein, including standards and procedures for ballot retrieval by authorized persons only, and for ensuring the proper chain of custody and safe storage of voted mail-in ballots before each election.

The OLS notes that the bill provides for an appropriation from the State General Fund to the Department of State of the sums necessary to establish mail-in voting procedures for the 2020 General election and to reimburse counties and municipalities for the costs of implementing its provisions.

Finally, the bill makes certain temporary modifications to the law to provide for the 2020 general election to be conducted primarily using mail-in ballots.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS estimates that the bill will result in indeterminate annual State and local government cost increases to provide ballot drop boxes for all elections in the State. However, there will be no net increase in State and local expenditures through December 31, 2020 because all costs associated with their establishment are being reimbursed from federal CARES Act funding through year end. Any local costs incurred after this date to meet the requirements of the bill are not eligible for federal reimbursement; however, the bill provides that counties and municipalities are to be reimbursed from the State General Fund for any expenditures needed to implement the provisions of this bill.

The Division of Elections informed the OLS that, in accordance with Executive Order 144, it had purchased five ballot drop boxes for each county in the State using CARES Act Funds at a cost of \$5,000 per box for a total procurement cost of \$525,000. The Executive Order required the drop boxes to be placed in locations that are readily accessible to the registered voters in the county. Each of the 105 ballot drop boxes has been delivered to the requisite county and, at the time of this writing, are in the process of being installed. The OLS notes that, according to the division, the demand for ballot drop boxes nationwide required the division to place an order expeditiously for the drop boxes with a supplier that was able to provide the requisite number of drop boxes for delivery within the necessary timeframe. County boards of elections who determine

they need additional drop boxes beyond what is required by the executive order can buy additional drop boxes and will be reimbursed with CARES Act funding through the end of the year. Any additional drop boxes purchased would cost approximately \$5,000 to procure with additional undetermined installation costs.

Total installation costs of the drop boxes have not yet been determined. Data indicate that installment costs can add an additional 33 percent to the total cost of drop boxes if installed by outside vendors. Some counties are employing their public works departments to secure the boxes. At this time, all drop boxes are being installed outside, secured to the concrete, and placed in locations with video surveillance capability. According to the division, installation costs will be reimbursed with CARES Act funding. From an operational standpoint, the division indicates that the county boards of elections shall disburse a team of two to collect the ballots from each of the five boxes once per day. These operational costs have not yet been estimated but will only be reimbursed with CARES Act funds through year end.

The OLS notes that the bill requires each county to have five additional drop boxes installed, at the latest, by September 19, 2020 to meet the requirement in the bill that each county have 10 drop boxes installed at least 45 days prior to the election. All drop boxes purchased by December 31, 2020 would be eligible to for CARES Act funding. Using the pricing provided by the division from the original purchase of 105 drop boxes, the OLS assumes that purchasing an additional 105 drop boxes would cost \$525,000, plus installation costs.

The bill incorporates certain requirements for the conduct of a primarily vote-by-mail election for the 2020 general election including, but not limited to mailing ballots to all active and registered voters; affixing prepaid First-Class postage to all vote-by-mail return envelopes; suspending the mailing of sample ballots; closing schools on the day of the general election; establishing COVID-19 safety measures and protocols at polling places, establishing a minimum number of polling places in each municipality and county; and establishing protocols to accommodate canvassing and certification timelines. These provisions to establish mail-in voting procedures for the 2020 General election will have an indeterminate expenditure increase to the State.

The OLS notes that the bill provides for an appropriation from the State General Fund to the Department of State of the sums necessary to establish mail-in voting procedures for the 2020 General election and to reimburse counties and municipalities for the costs of implementing its provisions.

Section: State Government

*Analyst: Kimberly M. Clemmensen
Lead Fiscal Analyst*

*Approved: Frank W. Haines III
Legislative Budget and Finance Officer*

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).