

## FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2019 Regular Session  
Legislative Fiscal Office

Measure: SB 116 - A4

***Only Impacts on Original or Engrossed  
Versions are Considered Official***

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### **Measure Description:**

Sets requirements for amendments to the Oregon Constitution that are referred to voters in the 2019 regular session of the Legislative Assembly.

### **Government Unit(s) Affected:**

Oregon Judicial Department (OJD), Department of Justice (DOJ), Legislative Assembly, Counties, Secretary of State (SOS)

### **Summary of Fiscal Impact:**

Costs related to the measure may require budgetary action - See analysis.

### **Analysis:**

SB 116 - A4 outlines requirements for when an amendment to the Oregon Constitution is referred to voters, or all or any part of an act is passed by both houses of the Legislative Assembly and sent to voters by petition or referendum, during the 2019 regular legislative session.

Under this measure, if HB 3427 (2019) is referred to voters by petition, then a special election is to be held on January 21, 2020 with only this measure on the ballot. HB 3427 relates to education funding through establishment of a corporate activity tax. All other measures are to be voted on during the general election.

The ballot title and explanatory statement for these measures are to be prepared by a joint legislative committee. The Secretary of State is directed to create and mail out a voters' pamphlet and adopt rules to carry out this measure. For the special election, the Secretary of State must also mail out a voters' pamphlet and is not required to comply with regulations related to competitive bidding in producing the pamphlet.

If voters disagree with the ballot titles or explanatory statements, they are directed to seek redress through the Supreme Court. The Supreme Court may refer the ballot title to the Attorney General for final modification if the title is found deficient.

This is anticipated to have no or minimal impact on the Department of Justice and Legislative Assembly but will have an impact on the Oregon Judicial Department, Counties, and Secretary of State. Due to the potential budgetary impacts, further consideration of this measure is required by the Joint Committee on Ways and Means.

### **Secretary of State (SOS) and Counties**

SOS and Counties anticipate a combined fiscal impact of \$3.5 million General Fund. This is due to the January special election.

Based on previous special election costs, SOS estimates the special election will cost \$3.2 million General Fund to administer. They also anticipate the need to hire temporary staff to assist with this election, at a cost of \$312,000 General Fund. Finally, SOS and Counties anticipate costs related to overtime and holiday pay, as the January 21

election will be held adjacent to the winter holidays and likely require election officials to prepare for the election on Martin Luther King Day (January 20).

With the - A4 amendment, there is also an additional indeterminate cost related to production of the voters' pamphlet, as the -A4 amendment would remove the limit on the number of words in a ballot title for a measure referred by the Legislative Assembly. The Secretary of State prepares and distributes the voters' pamphlet and collects a filing fee for each argument submitted in support or opposition of a ballot measure. Typically, these filing fees cover slightly more than one-half of the cost of producing and mailing the voters' pamphlet. The remaining costs are paid by the General Fund. At this time, the fiscal impact to the Secretary of State's office is indeterminate because the cost of producing and distributing the voters' pamphlet will increase based on the number of pages in each pamphlet, and this information will not be known until after election filing deadlines.

The Legislative Fiscal Office assumes that the Secretary will seek General Fund support from the Emergency Board or Legislative Assembly to cover the costs to the State and Counties for a special election, should one occur.

Oregon Judicial Department (OJD)

OJD anticipates a cost of at least \$28,605 General Fund as a result of the Special Election. These costs could vary based on the number of petitions filed, the number of opinions, other pending cases, etc. This estimate also assumes that if there are multiple challenges to one aspect of the election (for example, multiple parties challenge the ballot title), then these challenges can be consolidated into one case; so OJD expects, at a minimum, three different cases related to the ballot title, explanatory statement, and financial estimate.

In addition, this estimate only applies to the special election, and not any petitions filed in relation to initiatives or referendums on the general election ballot.