

# SOUTH CAROLINA REVENUE AND FISCAL AFFAIRS OFFICE STATEMENT OF ESTIMATED FISCAL IMPACT (803)734-3780 • RFA.SC.GOV/IMPACTS

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**Bill Number:** H. 3734 Introduced on January 18, 2023

Author: B. Newton

Subject: Municipal Elections Requestor: House Judiciary

RFA Analyst(s): Miller

Impact Date: April 17, 2023

## **Fiscal Impact Summary**

This bill specifies that all municipal primary, general, and special elections must be conducted using a voting system approved and adopted by the State Election Commission (SEC). This bill also specifies the allowable times when a general election must be set for municipalities and when the term for the mayor and councilmen will commence after the certification of the election results. Further, this bill allows municipalities to transfer the authority for conducting elections to the county board of voter registration and elections.

The Revenue and Fiscal Affairs Office (RFA) anticipates that SEC will be able to manage any additional responsibilities of this bill within existing appropriations. We will update this fiscal impact statement if SEC provides a different response.

RFA contacted the Municipal Association of South Carolina (MASC) and all counties to determine the local expenditure impact of this bill. Based on the responses received, the local expenditure impact for municipalities is undetermined, depending upon the number of municipalities that will need to begin using SEC approved voting systems and the number of municipalities who decide to allow their local county board of voter registration and elections to conduct the election on behalf of the municipality. Additionally, the local expenditure impact on counties is undetermined for counties that are not currently allowing their municipalities to use their voting systems and for counties in which a municipality asks the county to manage its election on behalf of the municipality.

## **Explanation of Fiscal Impact**

## Introduced on January 18, 2023 State Expenditure

This bill specifies that all municipal primary, general, and special elections must be conducted using a voting system approved and adopted by SEC. Currently, there is no requirement for municipal elections to be conducted using a voting system approved and adopted by SEC.

RFA anticipates that SEC will be able to manage any additional responsibilities of this bill within existing appropriations. We will update this fiscal impact statement if SEC provides a different response.

#### **State Revenue**

N/A

#### **Local Expenditure**

This bill specifies that all municipal primary, general, and special elections must be conducted using a voting system approved and adopted by SEC. This bill also specifies the allowable times when a general election must be set for municipalities and when the term for the mayor and councilmen will commence after the certification of the election results. Further, this bill allows municipalities to transfer the authority for conducting elections to the county board of voter registration and elections. Currently, some municipalities are using voting systems that are not approved and adopted by SEC, and municipalities may transfer the authority for conducting elections to the county elections commissions.

RFA contacted MASC to determine the local expenditure impact for municipalities. MASC anticipates this bill may increase expenses for some of the smaller towns in the state that do not currently use voting systems approved and adopted by SEC. The cost would depend upon the contracted price for rental/use agreements with the municipality's county elections official to use the approved voting systems. These costs will vary depending on the number of voting machines needed, training costs, and other such variables. Additionally, MASC noted that there are only a few municipalities that currently conduct their own elections. If these municipalities decide to allow their local county board of voter registration and elections to conduct the municipal elections, there could be an increase in local expenditures for these municipalities. Therefore, the local expenditure impact for municipalities is undetermined, and will depend upon the number of municipalities that will need to begin using SEC approved voting systems and the number of municipalities who decide to allow their local county board of voter registration and elections to conduct the election on behalf of the municipality.

RFA also contacted all counties to determine the local expenditure impact for counties. The counties of Dorchester and Aiken provided a response. Aiken anticipates this bill will have no expenditure impact for the county. Aiken County's Board of Voter Registration and Elections Commission currently allows municipalities to use their voting equipment for elections, and the commission currently manages the elections for smaller municipalities. Dorchester County also anticipates this bill will have no expenditure impact as it already uses SEC approved voting equipment. Based on these responses, and the response provided by MASC, RFA anticipates this bill may have an expenditure impact for counties that do not currently allow their municipalities to use their voting systems and for counties in which a municipality asks the county to manage its election on behalf of the municipality. Therefore, the local expenditure impact on counties is undetermined.

Local Revenue

Frank A. Rainwater, Executive Director