Future of California Elections' Webinar on Election Funding

Presentation by Kim Alexander, President & Founder California Voter Foundation

Who pays for California elections?

- Costs are covered primarily by local government
- Local governments reimburse counties for ballot space
- The federal government pays no direct costs
- The state government pays no direct costs

Several state agencies play an important role in elections

- Attorney General: initiatives & defense of election laws
- Fair Political Practices Commission: campaign finance disclosure and enforcement
- Secretary of State: certifies voting equipment, oversees voter registration database, publishes and distributes Voter Information Guide, compiles and certifies election results and more

Federal Government's Role in California Elections

- Federal Election Commission: campaign disclosure for federal candidates
- Election Assistance Commission: oversight, research, federal voting system standards & more
- U.S. Attorney General & Dept of Justice: enforcement of federal voting rights laws

Recent examples when state & federal government gave direct support for election costs

- 2002: enactment of the federal Help America Vote Act –\$195 million to replace punch card voting systems and modernize voting equipment, plus some funding for outreach and voter education
- 2002: passage of Proposition 41, the Voting Modernization Bond Act, providing \$200 million to California counties to support purchasing new voting equipment
- 2007: SB 113: appropriated up to \$80 million to counties to pay for cost of having a Presidential primary election in February 2008

What is a state-mandated local program?

- When the state passes a law that requires all local governments to do something, it's called a statemandated local program
- Since 1979, California Constitution requires the state to reimburse local governments for any costs resulting from implementing new programs required under state law
- State mandates that existed in law prior to 1979, such as requiring one polling place per 1,000 voters, are not subject to reimbursement

What are state-mandated local election programs?

- Over the years, a number of laws have been enacted that trigger reimbursements
- Most significantly, changes that widely expanded the right of California voters to vote by mail
- Another important recent law requires counties to verify signatures on provisional ballot envelopes
- A 2015 Dept. of Finance report found that "Unpaid claims for activities relating to mail-in ballots represents 86 percent of the \$118.9 million due for all election mandates"

Why aren't state-mandated election programs being funded?

- In 2011, facing a significant budget shortfall, Governor Jerry Brown proposed and the State Legislature approved suspending funding for the election mandates to save costs
- As a result, laws that prompted the mandates were converted from "required" to "permissive"
- Technically, any county that wishes to can stop allowing voters to sign up as permanent vote-bymail voters, and can also refrain from verifying the signatures of voters who cast provisional ballots

What would it cost to re-start the election mandates?

- Some of the millions owed to counties from pre-2004 reimbursement claims are being paid through prior budget agreements
- Approximately \$76 million is needed to re-start the election mandates funding process
- On April 28, the Senate's Budget Subcommittee #4
 voted unanimously to take the election mandates
 off the suspended mandates list and to add \$76
 million to the budget to fund them

What is the consequence to voters?

- Increasingly, election laws enacted by the State Legislature are permissive not required, giving the counties the option to provide certain services and programs but not requiring them to do so
- As a result, voters do not enjoy equal access to voting services across the state. Conveniences like early voting, access to online information and voter outreach programs are impacted
- Voters living in wealthier counties with a more robust tax base are likely to have better voting services than voters in poorer counties

Will funding for election mandates be restored?

- It's doubtful. The State Senate for two years in a row has added funding back in the budget for election mandates, but it's been removed in the final version approved by the budget conference committee
- The Governor is not a fan of the mandates reimbursement process
- Glimmer of hope: AB 120/Ting: added to 2015-16 state budget \$16.3 million to help counties cover extra 2016 election costs

Other Funding Approaches

- Place funding in the Secretary of State's budget to distribute to counties (AB 120/Prop 41 model)
- Create a block grant to allocate state funds to local jurisdictions based on need with local oversight and accountability (Local control funding formula model)
- Ballot real-estate model: counties charge state for its portion of election costs
 - ❖ In one ex: Shasta County 2014, state cost amounted to approx. 25% of county's overall election costs

Conclusion

- Voter education, voter engagement, ballot design improvements, online access to election information and tools will not happen without sufficient funding to pay for them.
- Our political leaders and the California elections community need to work together to ensure the resources counties need in order to give all voters equal and excellent voting opportunities and services are provided.



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