



# ELECTION FUNDING PROJECT

CA FWD

# Support & Knowledge Partners

Funding:

**James Irvine Foundation**

Knowledge Partners:

**California Voter Foundation**

**California Association of Clerks and Election Officials**

**California State Association of Counties**

**Urban Counties Caucus**

**Rural County Representatives of California**

# Historical Context

- Funding was a local responsibility prior to SB 90 (1972)
- Prop 13 (1978) restricted counties' ability to generate revenue
- Prop 1A (2004) suspended mandates become unfunded permissive statutes
- Inability of counties to raise property tax revenue along with unfunded election mandates have led to tension between state and local governments.

# Looking Beyond Mandates

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# Work In Progress



# State Survey

- **27** state election officials responded to survey.
- **70%** share funding responsibility between state and local governments.
- Significant variation among the states in the division of roles and funding responsibilities between state and local governments, and local governments and other jurisdictions.
- For exploratory purposes, the states can be grouped into three generalized categories: centralized, decentralized, and hybrid.

# State Funding Groups

## Group A: Centralized Election Administration Responsibility and Funding

- Uniform voting systems
- Responsibility is primarily at the state level
- Reimbursements from the state, or if state incurs costs up front, from the counties for some costs
  - New Mexico – The state funds voting systems, supplies and ballots. This is done in part by a 'Voting System Revolving Fund.'
  - Georgia – The state funds the Center for Election Systems at Kennesaw State University, which builds ballots and collects data. Voting systems were initially purchased by the state.



# State Funding Groups

## Group B: Decentralized Election Administration Responsibility and Funding

- Local governments select and purchase voting equipment
- Responsibility is primarily at the local level
- Reimbursements to county from local jurisdictions
- Seven of the responding states had models similar to CA with decentralized election administration, costs incurred by local governments and reimbursements sought from local jurisdictions.
- Counties use varying methodologies and formulas in charging other local jurisdictions for the cost of election services.

# State Funding Groups

## Group C: Shared Election Administration and Funding

- 70% of states share election responsibilities and funding between state and local governments, and among local governments.
- Entities are charged for their 'fair share' of election costs
  - Colorado – The state reimburses for even-year elections at \$0.90 per actual voter in counties with less than 10,000 voters, and \$0.80 per actual voter in counties with more than 10,000.
  - Louisiana – The state pays 75% of election costs; the remaining 25% are divided on a pro-rata share among local jurisdictions. The state pays the costs up front and locals reimburse.
  - Arizona – The state reimburses counties at a flat rate of \$1.25 per registered voter.
  - Minnesota – Entities are charged by the amount of space they take on the ballot: (total costs) X (% of voters in jurisdiction) X (% of total column inches on ballot).

# Issues That Transcend States:

## Common Themes

- Entities should pay their 'fair share' of costs
- Determining the actual cost of election administration
- Lack of consistent data collection and reporting
- Lack of collaboration and cooperation
- Outdated election statutes and laws
- Need for legislative action

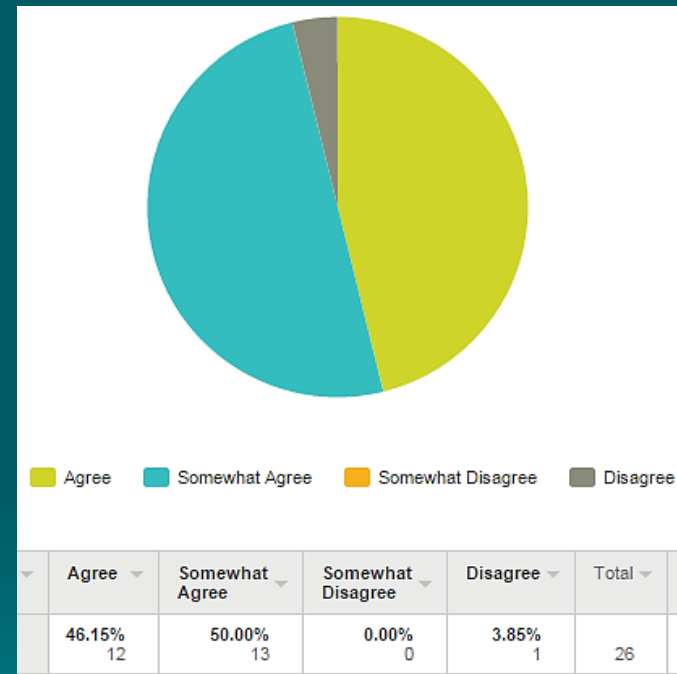
## Potential Solutions

- Reliable funding
- Reducing budgetary restrictions
- Alternative funding mechanisms for voting systems
- Uniform voting systems

# County Survey

- **33** county election officials responded to the election funding survey.
- **96%** agree or somewhat agree that California should adopt a different funding framework for elections.
- **88%** agree or somewhat agree that there should be collaboration among counties in providing election services and procuring voting equipment.
- **76%** indicated voting equipment needs to be replaced within 3-4 years, with 44% of those needing replacement within 1-2 years.
- **81%** are interested in exploring alternative funding methods for elections.

Do you agree with the statement :  
"California should adopt a different framework  
for state-county election funding"?



# County Perspective: Challenges

- Inadequate funding for:
  - New laws and regulations
  - Complying with mandates
  - Purchasing voting systems
  - Special Elections
- Counties also indicated a need of funding for:
  - Staff
  - Administration
  - Education
  - Building space
- Most counties are waiting for the outcome of SB 450 before deciding how to move forward.



(photo credit: Carl Mikoy)

# State Assistance

- Besides funding, counties said the state could help in other ways:
  - Streamline certification and approval processes
  - Update law/statute to accommodate new technology
  - Consult and collaborate with counties on new laws/regulations
  - Flexibility and timely regulation adoption
  - Authorize pilot projects
  - Expand the market of available products, systems and services

# The Issues

- After assessing survey data and feedback along with conducting regional meetings with registrars, here are common themes:
  - Technology is antiquated and hard to update – locking in higher costs
  - The certification and procurement process limits the use of technology as a way to reduce and control costs
  - Stalemate on “fair share” of election costs continues historic state-local tension, prevents improvements to the process
  - Minimal cooperation among the counties to reduce costs
  - Little incentive for continuous improvement and cost-savings at the local level

# Defining a Solution

## Creating a “Pathway to Modernization”

- Use technology to increase efficiency and efficacy
  - Update certification and procurement processes to accommodate new technology
  - Anticipate and incorporate technology options
  - Develop a funding mechanism with right incentives
- Improving the relationship between state and counties
  - Determining the “fair share” election costs
  - Option: State funding for special elections, statewide offices and ballot measures
- Create incentives for efficiency cooperation, and continuous improvement



# Next Steps

- Explore ways technology can be useful, including updating certification and procurement.
- Structure state contribution to encourage the right results.
- Encourage counties to collaborate in continuous improvement efforts such as joint purchasing.

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