

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** HB 83 (First Edition)

**SHORT TITLE:** Four-Year General Assembly Terms

**SPONSOR(S):** Representative Sutton

<b>FISCAL IMPACT</b>					
	<b>Yes (X)</b>	<b>No ( )</b>	<b>No Estimate Available()</b>		
	<b><u>FY 2001-02</u></b>	<b><u>FY 2002-03</u></b>	<b><u>FY 2003-04</u></b>	<b><u>FY 2004-05</u></b>	<b><u>FY 2005-06</u></b>
<b>REVENUES</b>					
<b>EXPENDITURES</b>	\$0	\$101,000*	\$0	\$0	\$0
<b>POSITIONS:</b>					
<b>PRINCIPAL DEPARTMENT(S) &amp; PROGRAM(S) AFFECTED:</b> State Board of Elections, Secretary of State					
* Refer to paragraph 2, page 2 under State Board of Elections and paragraphs 2-4, page 3 under Secretary of State for costs associated with the legislation.					
<b>EFFECTIVE DATE:</b> Constitutional amendments subject to voter approval on November 2002. Conforming changes to constitutional provisions take effect only upon voter approval of the constitutional amendments.					

**BILL SUMMARY:** Amends Art. II of the NC Constitution to provide (1) for four-year terms for General Assembly members, with the first election to such a term in 2002, and (2) that the President Pro Tem. of the Senate shall serve until the expiration of his or her term as Senator or until a new Lieutenant Governor is qualified (currently President Pro Tem. serves until the expiration of his or her term as Senator). Amends Art. III to provide (1) that elections for Governor and Lt. Governor shall occur in 2000 and every four years thereafter and (2) that state executive officers shall be elected at the same time as the Governor. Amends Arts. IV and V of the NC Constitution to provide that clerks of superior court and district attorneys shall be elected at the same time as elections for General Assembly or Governor (currently these officials are elected when the General Assembly is elected). Amends provisions in Arts. III and IV regarding vacancies to make duration of appointments and timing of elections depend on the next election of the General Assembly or Governor. Provides that the amendments shall be submitted to the

voters in the next statewide general election and if approved, shall apply to the General Assembly members elected in the 2002 general election

#### ASSUMPTIONS AND METHODOLOGY:

##### State Board of Elections

The amendment that is proposed by this bill is subject to voter approval at the November 2002 election. The State Board of Elections reimburses all of the counties for the cost of the notices, advertisements, and publications concerning the constitutional amendment and for programming the voting machines or for paper ballots for those counties, which use state ballots for precinct and absentee voting. The state also reimburses the counties for the cost of opening precincts that would only be opened for voting on the proposed constitutional amendment. This includes the payment for the precinct officials (a minimum of 3 for each precinct), rent for polling places, payment to county board members for their attendance at/on the absentee ballot meeting, election day, and canvass day and any other cost incurred for opening the precinct.

##### Legal Advertisement:

The county boards of elections are required to give the public notice that a proposed constitutional amendment will be on the ballot. The advertisements must run in the local newspaper on 3 separate occasions prior to the election. The State Board of Elections is required to reimburse the counties for the costs of the notices, advertisements, and publications concerning the constitutional amendment. The estimated cost for these legal ads is \$100,000 (\$1,000 average county cost \* 100 counties).

##### Paper Ballots

The State Board also estimates that it must print and distribute 110,000 paper ballots plus sample ballots to those counties, which use state ballots for precinct and absentee voting. The cost is estimated to be \$5,000.

##### Precinct Cost

If the proposed amendment to the constitution is on the ballot in November, all of the precincts in the state must be opened. However, because statewide elections are not usually held in odd years and because not all of the counties will have county and/or municipal elections in November that would require all of their precincts to be opened, some precincts will be opened only for voting on the proposed amendment. The state reimburses the counties for the cost of opening precincts that would not be opened but for voting on the state issue. (Most of the counties will have nonpartisan municipal elections in October and runoff elections in November if needed. Counties with the larger municipalities will hold partisan elections in October and general elections in November. There are a few counties, which will hold elections in October, and any needed runoff elections in November.)

At this time the State Board of Elections does not know which precincts will be opened in November for local issues. This cannot be accurately determined until after the October elections. Also, because rental cost and staffing requirements vary by precinct, the cost of opening a precinct varies. Thus, without knowing how many and which precincts will be opened only for voting on the proposed constitutional, the Board cannot accurately estimate the cost to the state for having a proposed constitutional amendment on the ballot in an odd year. However,

the Board's best estimate based on data for the 1993 election and the 1998 general election is that the state's share of the cost would be between \$2.2 million and \$3.3 million. (The Board reimbursed approximately \$1.5 to the counties in 1993 when one constitutional amendment and 4 bond referendums were on the ballot and its estimates that the total cost of the 1998 general elections when all precincts were opened was approximately \$5.5 million.) Because of the lack of data on the number of precincts that will be opened only for the constitutional amendment as well as the variances in the precinct costs, the Fiscal Research Division cannot reasonably estimate the state's reimbursement to the county boards of elections for placing a constitutional amendment on the ballot. We cannot, therefore, concur with the Board's estimate.

Secretary of State:

General Statute §147-54.10 requires the Constitutional Amendments Publication Commission within the Secretary of State's Office to prepare an explanation of a proposed amendment in simple and commonly used language at least 60 days prior to the election in which the proposed amendment will appear on the ballot. The Secretary of State is responsible for printing the summary in a quantity to be determined by the Secretary. A copy of the summary must be sent to each county board of elections. The Secretary must also make copies available, in a manner within his/her discretion, to any registered voter or representative of the print or broadcast media making a request for the document.

The Secretary of State provided two estimates for the cost of administering the publication provisions of G.S. 147-54-10. Their first estimate of \$50,000 is based on a plan that would generate public discussion about the proposed constitutional amendment. Specifically, the Secretary would send copies of the summary to the media outlets, run radio public service announcements and place links on commercial websites to make the public aware that a summary of the proposed constitutional amendment is available from the Secretary of State's Office. This estimate includes:

1. \$2,000 for printing and mailing 2 deluxe packages of information about the proposed amendment to each of the 100 county boards of elections and the 400 media outlets;
2. \$8,000 to print (and mail upon request) 10,000 standard packets of information for distribution to the public;
3. \$35,000 for running public service announcements for 10 days on the North Carolina News Network; and
4. \$5,000 to place links leading to an explanation/discussion site on the Internet.

Their second estimate of \$1,000 would allow the Secretary of State to meet the minimal requirements of the statute. This estimate includes the cost of 1,500 copies of a brochure which explains the proposed constitutional amendment and the cost for mailing the brochures to each of the county boards of elections and to registered voters or members of the media who request a copy of the summary. This estimate includes printing only a small number of the brochures because, the Secretary believes there would be little demand for the brochures unless it takes the steps noted in its first proposal to make the public aware of the availability of the explanation.

The Fiscal Research Division believes that the second estimate for \$1,000 will allow the Secretary of State to satisfy the requirements of the statute. However, we also believe the plan for making the public aware of the availability of the explanation which is the basis for their \$50,000 estimate is not unreasonable and recommend funding this plan at a reduced level.

**FISCAL RESEARCH DIVISION 733-4910**

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