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BILL ANALYSIS



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Senate Bill 888
 Sponsor: Senator Alma Wheeler Smith
 Committee: Government Operations

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CONTENT

Senate Bill 888 would amend the Michigan Election Law to require that primaries and general elections involving a Statewide office, judicial office, legislative office, or county-wide office be conducted by mail. The bill also provides cities, townships, villages, and school districts with the option of conducting local elections by mail.

FISCAL IMPACT

Oregon has conducted certain local elections by mail for 14 years. Oregon law provides that primary and general elections are conducted at polling places and other elections are generally held by mail. Oregon has an estimated 2,228,185 eligible voting age population. Of that population, 1,832,774 are registered (November 1994).

The Oregon Secretary of State's Office provided the following cost comparison of a statewide election held entirely by mail and a statewide election conducted at polling places. The polling place election was a May 1994 contested primary that included the race for Governor of Oregon and United States Representatives. The vote-by-mail only election was a May 1995 election on 2 statewide ballot measures. The following was reported:

Table 1

May 1994	Turnout	Cost	Cost Per Eligible Voter	Cost Per Ballot Cast
Polling Place Election	38.25%	\$2,863,589	\$1.65	\$4.33
May 1995	Turnout	Cost	Cost Per Eligible Voter	Cost Per Ballot Cast
Vote-By-Mail Election	43.74%	\$ 970,379	\$0.54	\$1.24

Source: Oregon Secretary of State's Office.

It should be noted that unlike Senate Bill 888, Oregon does not provide return postage for vote-by-mail ballots. Voters have to return ballots through the mail (32 cents postage) or deposit them at any county elections office or other designated drop site. Approximately 87% of the Oregon voters used the mail to return ballots.

Adding postage to the cost of the Oregon vote-by-mail election (as a State cost) would add an additional \$231,482 to the cost of the election. The postage cost is based on 32 cents plus 2 cents

for the business reply rate. This rate is based on bar coding and the appropriate address on the return envelope. However, the actual postage charge would depend on the size of the ballot. This would bring the total cost of the vote-by-mail election to \$1,201,861, compared to the \$2,863,589 cost of the polling place election.

The impact that Senate Bill 888 would have on election costs in Michigan would vary by local unit of government. Factors would include the current election system in use, the number of issues to be voted on at each election (size of ballot), the actual postage rate, and efficiency of each clerk's office. Vote by mail would result in savings from a reduction in election inspectors, elimination of costs associated with polling places (e.g. transporting equipment, rental, janitorial services, other temporary workers). Cost increases would include printing and postage.

The State of Michigan reimbursed local governments \$4,790,474 for the cost of the March 15, 1994 Statewide special election on school finance reform. In 1994, Michigan had an estimated voting age population of 6,983,000, of which 6,118,906 were registered for the March 1994 special election. Turnout for the special election was 2,452,278.

Table 2 is based on claims for reimbursement filed by certain local units of government for the special election. Reimbursable costs include precinct inspectors, temporary employees, overtime, postage, equipment costs, polling place rental, publications, supplies and other related costs. Reimbursable costs do not include salaries of local officials, employees, reusable supplies and equipment.

Table 2

March 15, 1994 Special Election				
	Turnout	Reimbursable Costs	Cost Per Eligible Voter	Cost Per Ballot Cast
Ann Arbor	29.13%	\$ 45,655	\$0.53	\$1.83
Detroit	25.01%	\$890,489	\$1.52	\$6.08
East Lansing	61.20%	\$ 15,707	\$0.56	\$0.91
Farmington Hills	47.16%	\$ 38,085	\$0.74	\$1.59
Grand Rapids	35.44%	\$ 67,385	\$0.55	\$1.56
Lansing	35.46%	\$ 52,430	\$0.66	\$1.87

Source: Department of State, Bureau of Elections, and local clerks' offices.

As the preceding table shows, costs vary substantially between local units. Units of government that currently have a higher cost per eligible voter for polling place elections are more likely to incur savings from a vote-by-mail election.

The requirement in Senate Bill 888 for the ballot to include a postage paid return identification envelope would result in additional costs based on the postage rate and turnout for the election. Assuming a rate of 34 cents, statewide costs for this requirement would range from \$860,900 to \$1,291,400 based on a 40% to 60% turnout rate.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.