

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2004 - A

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

*Only Impacts on Original or Engrossed Versions are Considered Official*

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### Measure Description:

Establishes ranked choice voting as voting method for selecting winner of nomination for and election to federal and state elected offices, and some local elected offices, unless otherwise prohibited in counties with home rule charters. Prescribes how to tally votes under ranked choice voting. Refers the measure to voters for their approval or rejection at the next regular general election held on November 5, 2024. If approved by voters, applies to elections and nominations occurring on or after December 10, 2026.

### Government Unit(s) Affected:

Secretary of State

### Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

### Analysis:

House Bill 2004 A-engrossed is submitted to voters for their approval or rejection at the next regular general election held on November 5, 2024. The measure establishes ranked choice voting for federal, state, and some local elected offices, unless otherwise prohibited in counties with home rule charters. The measure prescribes how to tally ballots under ranked choice voting, applying to elections and nominations occurring on or after December 10, 2026. The Secretary of State must establish a program to educate voters about how ranked choice voting works, which must be available in English and the next five most spoken languages in the state. The Secretary of State must provide a statement to be printed on the ballot describing how to mark choices in an election. The Secretary of State and county clerks must jointly submit two reports to interim legislative committees related to elections by September 15, 2026, analyzing whether existing laws are inconsistent with the implementation of ranked choice voting and detailing the costs to implement ranked choice voting throughout the state. The Secretary of State must establish by rule when a full recount of the votes cast is required in an election using ranked choice voting. The measure requires all candidates appearing on a primary election ballot to file a statement of economic interest with the Oregon Government Ethics Commission. The measure prohibits a nominating election for the Commissioner of the Bureau of Labor and Industries and directs that the commissioner be elected by ranked choice voting at a primary election. If approved by voters, the measure's substantive provisions become operative on December 10, 2026.

Because the measure is referred to voters at the next regular general election, the fiscal impact to the Secretary of State's office is the state's portion of incremental costs incurred for an already-funded election. The Secretary of State prepares and distributes the voters' pamphlet and collects a filing fee for each argument submitted in support or opposition of a ballot measure. Typically, these filing fees cover slightly more than one-half of the cost of producing and mailing the voters' pamphlet. The remaining costs are paid by the General Fund. At this time, the fiscal impact to the Secretary of State's office is indeterminate because the cost of producing and distributing the voters' pamphlet is determined by the total number of initiatives and legislative referrals on the ballot, and by the number of arguments submitted in support or opposition of these ballot measures, and this information will not be known until after election filing deadlines. The Legislative Fiscal Office (LFO) assumes that the Secretary will seek General Fund support from the Emergency Board or Legislative Assembly if the actual voters' pamphlet costs exceed currently budgeted election expenditures.

Under procedures established in ORS 250.125 and 250.127, a financial impact committee is created for each state measure submitted to the ballot through the initiative and referendum processes. For this reason, LFO does not include an estimate of the fiscal impact that would result if this legislation were to be adopted by a vote of the people.