HOUSE BILL REPORT ESB 5374

As Reported by House Committee On:

State Government

Title: An act relating to the election account.

Brief Description: Administering funds received under the Help America Vote Act.

Sponsors: Senators Roach, Fairley, Horn, Stevens, McAuliffe and Winsley; by request of

Secretary of State.

Brief History:

Committee Activity:

State Government: 3/27/03 [DP].

Brief Summary of Engrossed Bill

· Creates an election account in the State Treasury.

HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: Do pass. Signed by 9 members: Representatives Haigh, Chair; Miloscia, Vice Chair; Armstrong, Ranking Minority Member; Shabro, Assistant Ranking Minority Member; Hunt, McDermott, Nixon, Tom and Wallace.

Staff: Anne Warwick (786-7291).

Background:

On October 29, 2002, the President signed the "Help America Vote Act of 2002" (Act) (H.R. 3295/P.L. #107-252) into law. The Act provides state and local governments with up to \$3.9 billion over the next three years to replace antiquated voting systems with more modern systems. The funding, which Congress has not yet appropriated, would be used to reimburse states for funds already spent to upgrade voting systems, to replace existing systems with more modern ones, and to promote voter education initiatives.

Title I of the Act authorizes the General Services Administration (GSA) to administer payments in the amount of \$650 million to: (1) implement election administration requirements under the act; and (2) replace punch card lever machine election equipment.

House Bill Report - 1 - ESB 5374

Authorized appropriations under this section are divided evenly between the two. Payments will be made as soon as funds are appropriated. To receive Title I monies, the state must establish an "Election Fund" in the State Treasury.

Election Administration Requirements (\$325 million)

Each governor must notify the GSA by April 29, 2003, that the monies will be used in accordance with the Act. States are guaranteed a minimum payment of \$5 million. Remaining funds are allocated according to a voting age formula.

Replace Punch Card and Lever Election Equipment (\$325 million)

Each state must certify to the GSA that by April 29, 2003, the state will replace punch card and lever voting systems in qualifying precincts by the November 2004 general elections. States that replaced equipment anytime after December 31, 2000, may use the funds as reimbursement payments.

The Election Assistance Commission

The Election Assistance Commission is required to make election assistance payments to states. Appropriations authorized under this section include \$1.4 billion for fiscal year (FY) 2003, \$1 billion for FY 2004, and \$600 million for FY 2005. The funds are allocated according to a voting age formula with a guaranteed minimum payment equal to .05 percent of the total appropriation for each year.

Grants to Ensure Access for the Disabled

Payments are to be made no later than April 29, 2003. Authorized appropriations are as follows:

- \$50 million for FY 2003;
- · \$25 million for FY 2004; and
- \$25 million for FY 2005.

If appropriated, funds will remain available until expended. The U.S. Secretary of Health and Human Services must administer a \$10 million grant authorized for FY 2003, FY 2004, FY 2005, and FY 2006 for protection and advocacy systems of each state to ensure full participation for the disabled in the electoral process.

Other Grant Programs

The following grants are administered by the Election Assistance Commission:

- \$20 million authorized for FY 2003 on voting technology improvements;
- \$10 million authorized for FY 2003 for pilot programs for testing of voting equipment and technology; and
- \$200,000 for FY 2003 to the National Student and Parent Mock Election Organization.

Summary of Bill:

An election account is created in the State Treasury. The following money will be deposited into the account:

- 1. Amounts received from the Act, including amounts received from subsequent amendments; and
- 2. Amounts appropriated or made available by the Legislature for the purposes of carrying out the Act and any amounts received from subsequent amendments and additional amounts appropriated by the Legislature to the account.

All earnings from investments, including interest, will be credited to the account for election account related purposes. Money in the account may only be spent after appropriation and for the sole purpose of implementing the Act.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Testimony For: Congress has appropriated a portion of the money for the Help America Vote Act and Washington can hope to see some funds within the next 60 days. The election account is necessary to receive the federal funds.

Testimony Against: None.

Testified: Senator Roach, prime sponsor; Dean Logan, Office of the Secretary of State; and Pat McCarthy, Pierce County Auditor.