

# MEMORANDUM



## JOINT BUDGET COMMITTEE

TO Joint Budget Committee  
FROM Scott Thompson, JBC Staff (303-869-4657)  
DATE April 9, 2018  
SUBJECT Department of State, Initiative and Referendum Line Item

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*REQUEST:* The Department of State has asked the Joint Budget Committee to amend the Long Bill to include an additional \$300,000 spending authority in the current fiscal year, FY 2017-18, for its Initiative and Referendum line item. This line item funds verification of signatures on candidate and initiative petitions submitted to the Department in anticipation of the following November election.

*DISCUSSION:* Last year, the Joint Budget Committee approved shifting funding in the Department that was not needed to reimburse counties for a portion of their election costs because there was no statewide ballot question in November 2017 to developing software solutions and upgrades to elections software and for business filing systems. As part of this undertaking, the Department contracted with Runbeck Election Services to develop and implement a software-based solution that automates much of the petition review process and accommodates a new law that requires signature verification.

While the Runbeck software is expected to lead to efficiency gains, it is not yet fully operational. As a result, there has been a need to re-scan petition pages multiple times. The expected efficiency gains are unrealized because of the need to re-scan pages. Re-scanning also has led to increased costs charged by Integrated Document Solutions (IDS), the Department's vendor for petition processing, due to increased workload.

The Department expects that Runbeck will improve the software and that in future years the anticipated efficiency gains will be realized. For now, all parties are focused on processing the petitions within the statutory deadlines.

Finally, this is the first year the Department has the requirement to perform signature verification on candidate petitions. In addition to this new legal requirement, the Department received 45 candidate petitions for processing in FY 2017-18, which is 125 percent more than the previous cycle of 36. Of the 45, 11 are for statewide office and require 10,500 valid signatures each. Only five petitions for statewide office were submitted in the prior cycle.

*RECOMMENDATION:* **JBC Staff recommends the Committee approve the Department request and make the change to the Long Bill.** The change will adjust the appropriation to the Department of State by \$300,000 cash funds from the Department of State Cash Fund for verification of initiative and referendum petitions submitted for the November 2018 election within the statutory deadline.