

**LEGISLATIVE FISCAL ESTIMATE**  
**ASSEMBLY, No. 3823**  
**STATE OF NEW JERSEY**  
**219th LEGISLATURE**

DATED: MAY 25, 2022

**SUMMARY**

- Synopsis:** Provides additional processes to maintain voter rolls; permits remote training for election workers; removes salaries of boards of elections from two percent cap on expenditure increase; exempts election worker compensation from taxation.
- Type of Impact:** Annual State expenditure increase and revenue decrease; local expenditure and revenue increases.
- Agencies Affected:** Department of State, local governments.

**Office of Legislative Services Estimate**

<b>Fiscal Impact</b>	<b><u>Year 1</u></b>	<b><u>Year 2</u></b>	<b><u>Year 3</u></b>
<b>State Cost Increase</b>		Indeterminate	
<b>State Revenue Decrease</b>		Indeterminate	
<b>Local Cost Increase</b>		Indeterminate	
<b>Local Revenue Increase</b>		Indeterminate	

- The Office of Legislative Services (OLS) estimates that the bill will result in indeterminate annual expenditure increases for the State as well as annual State revenue losses from the exemption of poll worker compensation from the State’s gross income tax. The revenue loss is estimated to be less than \$1 million per election and will vary annually depending on the number of hours poll workers actually work on election days, and the number and type of elections in a given year (i.e. primary, general, or special election).
- Local governments will have their administrative workloads increased due to the bill’s requirements that death records and voter rolls be updated more frequently in the two months prior to a general or primary election.
- The OLS further estimates that if staff salaries for the county boards of elections are not subject to the two percent property tax levy cap, expenditures of the counties may increase along with tax revenues.

## **BILL DESCRIPTION**

This bill revises voter roll and election worker training processes, exempts election worker compensation from State gross income taxation, and removes boards of elections staff salaries from the two percent property tax levy cap.

The bill requires that for the two months immediately preceding a primary or general election, the officer in charge of records of death would file bi-weekly reports to the commissioner of registration. The commissioner of registration would then have 10 days to investigate the list and remove any deceased voter from the voter rolls.

This bill also requires the Secretary of State to enter into an agreement with the Electronic Registration Information Center, a non-profit organization that assists states to improve the accuracy of their voter rolls and increase access to voter registration for all eligible citizens. The State would share voter registration information, and information in the New Jersey Motor Vehicle Commission database, with the center for the purposes of determining whether a voter is registered in more than one state and for the maintenance of the Statewide voter registration system.

This bill also clarifies that instructional sessions for election workers are to be conducted in person. A county board of elections may also conduct instructional sessions to district board members remotely, by electronic means. The county boards of elections would implement the procedures for conducting a remote session, which would need to be approved by the Secretary of State. The procedures would need to be reviewed and approved once every two years.

The bill also exempts boards of elections staff salaries from the two percent property tax cap.

This bill also exempts election worker compensation from gross income taxation.

## **FISCAL ANALYSIS**

### ***EXECUTIVE BRANCH***

None received.

### ***OFFICE OF LEGISLATIVE SERVICES***

The OLS estimates that the bill will result in indeterminate annual expenditure increases for the State as well as annual State revenue losses from the exemption of poll worker compensation from the State's gross income tax. To enter into an agreement with the Electronic Registration Information Center, the State will be required to pay the initial registration fee, annual fees, and any other operational costs necessary to share voter registration information with the center. Membership requires a \$25,000 initial fee and annual fees ranging from approximately \$16,000 to \$74,000. The State may also incur additional operational costs to implement the necessary technological capabilities to effectively share voter registration information with the center. There is no information available to indicate what the State's annual fee for the Electronic Registration Information Center would be, or the amount of any operational costs; thus, a specific estimate of this potential cost cannot be made at this time.

The State revenue loss resulting from the bill is estimated to be less than \$1 million per election and will vary annually depending on the number of hours poll workers actually work on election days, and the number and type of elections in a given year (i.e. primary, general, or special election). P.L.2022, c.5 increases the compensation of election workers from \$200 per day to \$300 per day, and the OLS estimates that the costs for early voting and election day poll workers per

election is \$25 million when taking this increase into account. Assuming marginal State income tax rates of 1.4 percent to 3.5 percent yields a revenue loss between \$350,000 and \$875,000 per election.

Local governments will have their administrative workloads increased due to the bill's requirements that death records and voter rolls be updated more frequently in the two months prior to a general or primary election. Moreover, the OLS notes that if county boards of elections choose to offer instructional sessions to election workers remotely, the counties will be required to pay the cost of conducting the remote meetings. There is no information available to indicate if county boards of elections will choose to conduct instructional sessions remotely to arrive at a cost estimate.

The OLS further estimates that if staff salaries for the county boards of elections are not subject to the two percent property tax levy cap, county expenditures may increase along with tax revenues. The current two percent cap prevents counties from increasing county boards of elections staff salaries above the two percent cap. There is no information available to indicate if county boards of elections will increase staff salaries above the two percent cap and also increase the property tax levy if the cap is removed; thus, a specific estimate of this potential cost or revenue increase cannot be made.

*Section: State Government*

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note.

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).