Institute for Responsive Government

The State of Election Funding in 2024

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Election officials at the state and local level carry out complex processes under both good and bad faith scrutiny, meeting tight deadlines and responding to novel threats to ensure that all eligible voters can cast their ballot and that all such ballots are counted as cast. They do all this despite a persistent <u>lack of sufficient funding</u> from all levels of government.

Elections are largely administered at the local level – by <u>county and municipal officials</u> – and it is at this level that much of the funding to run elections originates. Elections are <u>resource-intensive</u> and while the majority of funding is provided by local jurisdictions, federal and state funds play an important role. Unfortunately, they have not always provided the funding locals need.

FEDERAL FUNDING — INCONSISTENT AND INSUFFICIENT

By law, federal races come first on all ballots, and federal mandates <u>shape</u> much of the voter registration, balloting, and counting process. Yet, the federal government provides only inconsistent and insufficient funding to carry out these requirements, most notably in the form of <u>Help America Vote Act</u> (HAVA) grants. After nearly a decade of essentially no federal involvement in funding, Congress appropriated <u>extensive HAVA grant allocations</u> in 2018 (\$380 million) and 2020 (\$425 million) with another \$400 million in the latter year made available to election officials through the CARES Act. Those grants helped election officials begin addressing years of delayed upgrades, make improvements in cybersecurity protections, and adapt to voting changes during the peak of the COVID pandemic.

After the 2020 election, Chris Krebs, the former director of the Cybersecurity and Infrastructure Security Agency (CISA), testified to Congress that more funding was necessary: election officials still "lacked the resources to replace aging or out-of-date systems and hardware" and needed consistent funding from the federal government to continue to keep elections secure. Unfortunately, Congress has failed to meet that need, appropriating just \$205 million in grants over the past four years. In 2022, an investigation by the House Committee on Oversight and Reform identified the lack of "reliable, robust grant funding" as a threat to the efficient administration of elections and the capacity of election officials to counter damaging lies about election processes. For fiscal year 2025, the Senate has proposed just \$75 million in HAVA grant funding for the whole country, while the House has countered with \$0 in election funding. Election officials have advocated for \$400 million in regular yearly appropriations.

STATE FUNDING — ESSENTIAL BUT COMING UP SHORT IN CRITICAL MOMENTS

Many <u>states share a portion of the costs</u> of running elections with locals, though local governments in nearly all cases shoulder the majority of the financial burden. Notably, every state is different in this regard, with some splitting costs with localities based on the "ballot real estate" each level of government commands, while others provide substantial non-monetary resource support in the form of technical and staffing assistance.

The enactment of new laws that change election administration practices is a particularly important moment for states to provide funding support to local officials. Failing to adequately fund the implementation of state election law changes leaves local governments with the difficult task of fitting new expenditures into tight budgets. Implementation dollars have grown increasingly important lately, as state legislatures have set new records for the pace and breadth of election law changes over the past 3 years.

Inconsistent support for local election officials charged with the implementation of state election laws is neither a partisan problem nor a new one. For example, California failed for years to fund <u>"reimbursable mandates"</u> — election administration rules that counties are compelled to follow. Because counties have generally continued to follow these mandates even when the state suspended enforcement, they had to assume around \$30 million in election expenses each general election year. Meanwhile, <u>Montana</u>, as part of a bill mandating new post-election audit procedures in 2009, required the Secretary of State to "reimburse each county for any costs incurred in implementing" the law.

ACCIDENTAL UNFUNDED MANDATES

Unfortunately, states that have enacted major reforms to their election processes in recent years have regularly left local officials to fill gaps from county revenues, raise property taxes, or redirect funds from other election priorities. These unfunded mandates typically only attract general attention when they rise to the level of absurdity. The most notable example was a <u>Texas law</u>, enacted in 2021, that would have required election officials to, in the words of <u>Votebeat and the Texas Tribune</u>, "...replace all their current vote-counting equipment with technology that doesn't exist," at the theoretical cost of more than \$100 million. The estimated price tag, which was not mitigated by any state funding despite a damning <u>cost assessment</u> from the secretary of state's office, drove the legislature to rewrite the offending provision two years later.

Texas' example did not prevent Georgia from following in its footsteps in May 2024, enacting a law that would require a substantial overhaul or replacement of all voting systems by 2026, at the cost of tens to hundreds of millions of dollars. Despite efforts by the secretary of state's office to encourage the legislature to tie implementation to the appropriation of state funding, the law was enacted with zero dollars of implementation funding. Perhaps nothing illustrated the situation election officials face more than Georgia House Speaker Jon Burns' acknowledgment that "he had a limited understanding of the issue, but nonetheless said he believed the transition would be 'easy.'"

CASE STUDIES OF INADEQUATE STATE ELECTION SUPPORT

While Texas' unfunded mandate was repealed and Georgia's will not go into effect until after the 2024 election, several other states that mandated changes to election processes ahead of this election cycle have failed to provide sufficient implementation funding. In states across the political spectrum, local officials have had to meet new mandates without adequate new funding, stretching already strained resources to extremes.

The three states profiled below each expanded early voting and made other improvements to voter access since 2020, yet the implementation funds provided by each state ranged from none (Kentucky) to inadequate (Connecticut) to barely sufficient (Michigan).

Kentucky

In April 2024, Kentucky enacted an extensive <u>reform</u> that, among other changes, expanded early in-person voting opportunities. However, while the <u>version of the bill</u> that was first introduced contained \$13 million in implementation funding over the next 3 fiscal years, those funds were stripped out of the version that finally became law. Local <u>reporting</u> explained that these funds were intended to "raise poll worker pay and rent more spaces for polling sites" to better implement the new early voting processes. Secretary of State Michael Adams described the lack of funding as a "real disappointment."

Connecticut

Through a constitutional amendment in 2022 and legislation the following year, Connecticut allowed early in-person voting for the first time to begin in 2024. The state did accompany the reform with implementation funds, but provided the exact same amount, \$10,500, to each of the state's 169 cities and towns, a total of just \$1.8 million. While the \$10,500 was adequate for implementation of early voting in small towns, it did not come close to meeting the expenses incurred by larger cities with far more voters. The Connecticut Conference of Municipalities estimated the yearly cost of early voting could vary for each municipality from \$4,000 to \$70,000 per year. Early in the process, the League of Women Voters assessed the cost for full, long-term, implementation of the new reforms at \$9 million. As Danbury's registrar explained, "The state passed these mandates but didn't give funding for them, so it costs more and requires a lot more work." Legislative leaders acknowledged that the state appropriation was insufficient to cover the costs the municipalities were incurring, yet House Speaker Matt Ritter dismissed the issue by stating that "no municipality is going to go bankrupt" as a result of increased election expenses.

Michigan

Over the past two years, voting in Michigan has been transformed by citizen initiatives and legislation to broaden access and strengthen security. But, as supporters of the key initiative acknowledged, "...these pro-voter changes have created a lot of work for clerks." As the 1,500 local election officials in Michigan began adapting to "new information, new policies, new procedures" on an accelerated timeline, they were greatly helped by an historic appropriation of more than \$77 million in state funds in FY23 and FY24. These infusions of state funds helped ease clerks' implementation concerns. But even this significant investment does not fully meet the needs of clerks, especially those seeking to maximize voter access through extended dates, hours, and locations for early voting and same-day registration. Additional resources are also needed to fully fund voter education efforts by clerks.

CONCLUSION

Election officials across the country are facing increased costs, threats, and scrutiny in 2024. As legislatures enact reforms to improve election administration, it is essential that funding for local election officials is increased to meet the increased burden placed on jurisdictions. In an environment where the federal government has failed to provide adequate support for election administration, that financial burden has fallen disproportionately on local and state governments. Many states have stepped up to support election officials as they implement state mandated changes to election procedures. Minnesota, New York, Michigan, and New Mexico provided financial support to local officials as they put new election procedures into practice. Idaho, Pennsylvania, and South Carolina also increased state funding for election expenses to take on rising costs and system upgrades. States that have failed to meet both the increasing fixed election costs and the cost of implementing new mandates have placed the people who administer elections at the local level in a difficult position. While election officials have repeatedly demonstrated the ability to carry out successful

elections in the face of both <u>increased costs and harassment</u>, they should not have to face these challenges with inadequate resources. Congress' failure to adequately fund HAVA grants, and the paucity of state implementation funding, has left many election officials in 2024 in the <u>familiar position</u> of having to translate policies they did not create into a physical reality of polling places, counting facilities, and ballot design that they may lack the resources to fully implement.