

ELECTIONS GRANT FUNDING



AN ISSUE BRIEF FROM LEGISLATIVE BUDGET BOARD STAFF

ID: 4809

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OBJECTIVE

The Secretary of State (SOS) distributes funding to counties, political parties, and election vendors to pay for voter registration and primary elections.

KEY FACTS

- ◆ SOS provides grant support to county voter registrars based on a formula in the Texas Election Code, Chapter 19.
- ◆ SOS reimburses political parties, counties, and election vendors for primary election expenses, excluding costs offset by candidate filing fees and most early voting costs.

BUDGETARY IMPACT

For the 2018–19 biennium, SOS was appropriated \$12.8 million in General Revenue Funds and carried forward \$3.3 million in unexpended balances for primary election reimbursements. SOS also was appropriated an estimated \$5.8 million in General Revenue Funds for grants to county voter registrars.

STATUTORY REFERENCES

The Texas Election Code, Chapters 19 and 173.

Local governments and political parties administer elections in Texas. The Secretary of State (SOS) administers two grant programs to partially cover these entities' elections costs: voter registration grants and primary election grants.

VOTER REGISTRATION GRANTS

Senate Bill 1, Fifty-ninth Legislature, First Called Session, 1966, abolished the state's poll tax and established a grant program to support the work of county voter registrars. For the 2018–19 biennium, SOS was appropriated an estimated \$5.8 million in General Revenue Funds for voter registration grants.

A formula in the Texas Election Code, Chapter 19, determines the amount of each voter registrar's entitlement. Grant award amounts are based on the volume of voter registration activity, including the number of new, canceled, and updated registrations processed each calendar year. Award amounts also are based on the number of existing registrations maintained every two calendar years. **Figure 1** shows the total grant funds earned per type of voter registration. SOS receives an estimated appropriation for voter registration grants based on the total projected cost. SOS may expend additional funds if necessary to cover all counties' awards.

FIGURE 1
GRANT FUNDING EARNED PER VOTER REGISTRATION TYPE

TYPE	FUNDING PER REGISTRATION	YEARS AWARDED
Initial Registrations	\$0.25	Every calendar year
Canceled Registrations	\$0.40	Every calendar year
Updated Registrations	\$0.40	Every calendar year
Total registered voters minus initial registrations for the previous two calendar years	\$0.40	Even-numbered calendar years

SOURCE: Legislative Budget Board.

EXPENDING VOTER REGISTRATION GRANTS

Grant awards become available June 1 each year, and counties have 27 months to request funding. Grants are distributed as reimbursements for eligible expenses, including activities that increase the number of registered voters in the state, help maintain an accurate list of registered voters, and increase the efficiency of voter registration through technological equipment. Common uses include funding for temporary employees in the voter registration department, travel to relevant seminars, and voter registration applications.

PRIMARY ELECTION COST REIMBURSEMENT

In addition to voter registration grants, SOS reimburses political parties, counties, and election vendors for primary election costs pursuant to the Texas Election Code, Chapter 173. For the 2018–19 biennium, SOS was appropriated \$12.8 million in General Revenue Funds and carried forward approximately \$3.3 million in unexpended balances from fiscal year 2017 for primary election grants.

Beginning in November of odd-numbered years, party chairs, counties, and vendors each submit estimates of their projected eligible primary costs to SOS. The agency awards 75.0 percent of these costs upfront. In addition to state funds, parties must use available candidate filing fees to cover primary expenses. Following the election, grantees have until August 31 of even-numbered years to submit final reports and documentation showing itemized costs and filing fee revenues. SOS uses this information to make final reimbursements or to collect overpayments.

ELIGIBLE COSTS OF PRIMARY ELECTIONS

Costs eligible for reimbursement include most election day expenditures, such as precinct workers, polling place rental, election kits, and voting equipment. Administrative costs such as contract administrative fees, office personnel, facility rental, and utilities are also reimbursable. Most expenses related to early voting are ineligible for reimbursement, including election kits for voting by mail and postage. These costs are the counties’ responsibility, pursuant to the Texas Administrative Code, Title 1, Section 81.132. **Figure 2** shows reimbursable costs for the 2014 election cycle, which totaled \$17.3 million. Of these costs, the state paid \$13.4 million, and filing fees and other contributions covered \$3.9 million.

USEFUL REFERENCES

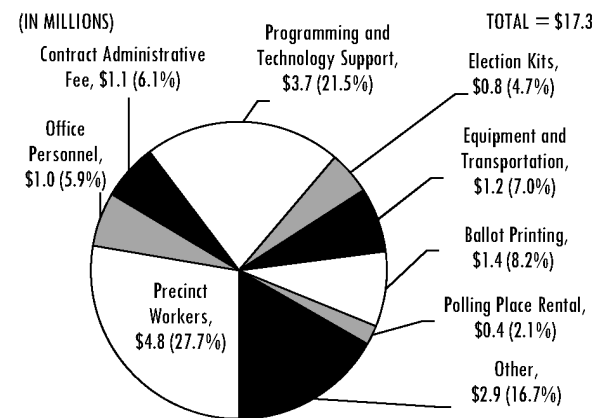
Texas Secretary of State, Chapter 19 Allowable Expenditures: www.sos.texas.gov/elections/funds/chapter-19/pay-nonpay-rules.shtml

Texas Secretary of State, Primary Finance Expenditure and Reporting Guidelines: www.sos.texas.gov/elections/funds/primary-finance/primary-finance-expenditure-reporting-guidelines.shtml#primary

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**FIGURE 2
PRIMARY ELECTION REIMBURSABLE COSTS
CALENDAR YEAR 2014**



SOURCE: Texas Secretary of State.