



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 15, 2007

H.R. 811 **Voter Confidence and Increased Accessibility Act of 2007**

As ordered reported by the House Committee on House Administration on May 8, 2007

SUMMARY

H.R. 811 would amend the Help America Vote Act of 2002 to authorize the appropriation of more than \$1 billion for the Election Assistance Commission (EAC) to provide grants to states to prepare permanent paper ballots for use in all federal elections beginning with the November 2008 federal election. H.R. 811 also would authorize the appropriation of \$100 million annually for states to audit the paper ballots. Finally, the legislation would authorize appropriations for the National Institute of Standards and Technology (NIST) and the National Science Foundation (NSF) to study voting technologies.

Assuming appropriation of the authorized and estimated amounts, CBO estimates that implementing H.R. 811 would cost \$10 million in 2007 and \$1.3 billion over the 2007-2012 period. Enacting the bill would affect direct spending or revenues, however, CBO estimates that there would be no significant net budgetary impact from those effects each year. All provisions of H.R. 811 would be excluded from the Unfunded Mandates Reform Act (UMRA).

ESTIMATED COST TO THE FEDERAL GOVERNMENT

The estimated budgetary impact of H.R. 811 is shown in the following table. The costs of this legislation fall within budget functions 250 (general science, space, and technology), 370 (commerce and housing credit), and 800 (general government).

	By Fiscal Year, in Millions of Dollars					
	2007	2008	2009	2010	2011	2012
CHANGES IN SPENDING SUBJECT TO APPROPRIATION ^a						
Ballot Verification and Other Requirements						
Authorization Level	1,000	0	0	0	0	0
Estimated Outlays	0	800	100	100	0	0
Audit Payments to States						
Authorization Level	0	100	100	100	100	100
Estimated Outlays	0	60	40	60	40	60
Testing and Certification of Voting Systems						
Estimated Authorization Level	0	10	5	5	5	5
Estimated Outlays	0	8	7	5	5	5
Other Reporting Provisions						
Authorization Level	2	5	0	0	0	0
Estimated Outlays	0	4	3	0	0	0
Other Provisions						
Estimated Authorization Level	0	10	8	8	9	9
Estimated Outlays	0	10	8	8	9	9
Total Proposed Changes						
Estimated Authorization Level	1,002	125	113	113	114	114
Estimated Outlays	0	882	158	173	54	74

a. H.R. 811 also would affect revenues and direct spending by authorizing an escrow account to collect fees from voting systems manufacturers and spend those fees to have testing laboratories verify the performance of the equipment. CBO estimates that the net budgetary impact of this activity would be insignificant each year.

BASIS OF ESTIMATE

For this estimate, CBO assumes that the bill will be enacted near the end of fiscal year 2007, that the necessary amounts will be appropriated each year, and that outlays will follow historical spending patterns for similar programs. CBO estimates that implementing H.R. 811 would cost \$1.3 billion over the 2008-2012 period, assuming appropriation of the specified and estimated amounts. (For this estimate, we assume that authorized 2007 funding would be provided late in the year, with no outlays until fiscal year 2008.)

Ballot Verification and Other Requirements

H.R. 811 would authorize the appropriation of \$1 billion in fiscal year 2007 for grants to states to pay for the cost of providing a permanent paper record of each voter's ballot. Assuming appropriation of the authorized amounts, CBO estimates that implementing those provisions would cost \$1 billion over the 2008-2012 period (with no estimated outlays in 2007).

Audit Payments to States

The bill would authorize the appropriation of \$100 million annually over the 2008-2012 period for payments to states to provide various audits of the paper ballots. This would include specific audit requirements for elections that are closely contested. Based on information from EAC, CBO expects that the audits would take place over a two-year period. Assuming appropriation of the authorized amounts, CBO estimates that implementing this provision would cost \$60 million in 2008 and \$260 million over the 2008-2012 period.

Testing and Certification of Voting Systems

The bill would authorize the EAC to create a Testing Escrow Account that would be used by accredited laboratories to certify the performance of voting system hardware and software. The EAC would set a fee schedule for the voting equipment industry, receive fees from each manufacturer, and distribute the fees to laboratories to conduct testing. CBO expects that such fees would be recorded as federal revenues, and their expenditure would constitute direct spending. The net effect of those collections and their distribution would be insignificant in each year.

Based on information from the EAC, CBO expects that six laboratories would be accredited to test the equipment of 10 manufacturers. Assuming appropriation of the necessary amounts, CBO estimates that implementing this section would cost \$30 million over the 2008-2012 period for the EAC to administer the new program.

Other Reporting Provisions

H.R. 811 also would authorize the appropriation of \$3 million in fiscal year 2008 for the NIST to study and report to the Congress on ballot verification methods for individuals with disabilities and best practices for ballot auditing. In addition, the legislation would authorize the appropriation of \$1.5 million annually over the 2007-2008 period for the NSF to provide

grants to study election voting software. Assuming appropriation of the specified amounts, CBO estimates that implementing those provisions would cost \$7 million over the 2008-2012 period.

Other Provisions

Implementing H.R. 811 would increase the responsibilities of the EAC. The agency estimates that it would need more than 30 new staff primarily to oversee the certification of voting systems nationwide and to audit the new grant programs. CBO estimates that the additional staff and administrative requirements would cost \$45 million over the 2008-2012 period.

INTERGOVERNMENTAL AND PRIVATE-SECTOR IMPACT

Section 4 of UMRA excludes from the application of that act any legislative provisions that enforce the Constitutional rights of individuals. CBO has determined that the provisions of H.R. 811 would fall within that exclusion because they would protect individuals' voting rights. Therefore, CBO has not reviewed this bill for mandates.

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