

OFFICE OF FISCAL ANALYSIS

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sSB-1232

AN ACT IMPLEMENTING THE RECOMMENDATIONS OF THE RISK-LIMITING AUDITS WORKING GROUP.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 26 \$	FY 27 \$
Secretary of the State	GF - Cost	1,420,000	205,000

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 26 \$	FY 27 \$
Various Municipalities	STATE MANDATE ¹ - Cost	2,000	88,000

Explanation

This bill implements risk limiting audits (RLA) and results in costs to the Secretary of the State (SOTS) of \$1.4 million in FY 26 and \$205,000 in FY 27 and annually thereafter. There will also be a cost of \$2,000 in FY 26 and \$88,000 in FY 27 to municipalities to support the implementation of risk limiting audits.

This will require a one-time cost to support equipment for municipalities of \$1,000,000 in FY 26. This includes equipment to be paid for by the Secretary of the State and distributed to municipalities. There will be an additional one-time cost of \$15,000 for software to support a

¹ State mandate is defined in Sec. 2-32b(2) of the Connecticut General Statutes, "state mandate" means any state initiated constitutional, statutory or executive action that requires a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.

pilot program and \$200,000 to support the initial development of the program in FY 26. The development costs, which are paid by SOTS but ultimately borne by University of Connecticut Voter Center, are associated with developing and testing auditing software and processes and conducting the audits.

The bill creates several ongoing costs, including \$80,000 in FY 26 and FY 27 for risk limiting audit software licensing. There will be an additional cost of \$125,000 in FY 26 and FY 27 associated with ongoing maintenance and upkeep costs.

The bill alters standards of risk limiting audits and results in additional costs to municipalities. This comes primarily from the additional cost of labor to complete risk limiting audits. The bill requires that the officials administering and conducting the risk limiting audit must be compensated at the municipalities standard rate of pay for electors. In FY 26, this is limited to a pilot program encompassing three municipalities with an expected cost of \$2,000. Once implemented, the cost depends on the requirements of the risk limiting audits, the number of them conducted and the level of compensation for the election officials within each municipality is estimated at around \$88,000 if a statewide office were to require a risk limiting audit².

The Out Years

The annualized ongoing fiscal impact identified above would continue subject to inflation and the number of and complexity of risk limiting audits carried out annually. In addition, there is an anticipated to be an average annual replacement cost of \$155,000 for the equipment; the exact cost will vary year-to-year.

² This figure assumes five employees working for four hours in each town, to complete the RLA. This assumes the estimated hourly rate and is anticipated to cost approximately \$88,000.