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U.S. ELECTION ASSISTANCE COMMISSION 1225 New York Ave. NW – Suite 1100 Washington, DC 20005

MEMORANDUM

TO:	Chair Rodriguez, Commissioner Davidson and Commissioner Hillman	
FROM:	Caroline C. Hunter Vice Chair	
DATE:	April <u>16,</u> 2008	Deleted: 9
RE:	Modification of EAC Advisory 07-003-A – Maintenance of Effort Funding	

EAC Advisory 07-003-A, dated September 6, 2007, discusses Maintenance of Effort Funding and includes local and county governments in discussion of Maintenance of Effort Funding requirements. However, the applicable section of HAVA is unambiguous and does not make requirements of local and county governments. The applicable section reads:

"How the State, in using the requirements payment, will maintain the expenditures of the State for activities funded by the payment at a level that is not less than the level of such expenditures maintained by the State for the fiscal year ending prior to November 2000." Help America Vote Act of 2002 §254(a)(7), 42 U.S.C. 15404(a)(7) (2002).

The EAC does not have the authority to also make such a request of local and county governments, because Congress limited the language in the statute to only make a demand on the State. Sections 254(a)(2) and 254(a)(8) both include mention of "units of local government" to differentiate from the State. Had Congress intended those units of local government to maintain expenditure, it would have included the appropriate language in \$254(a)(7). Any other interpretation would require the Commission to overreach its statutory authority.

RECOMMENDATION:

EAC Advisory 07-003-A, dated September 6, 2007, shall be amended to make it clear that HAVA does not require a state to include local and county government expenditures when determining the Maintenance of Effort baseline as required by HAVA §254(a)(7).

Deleted: The Commission should strike any reference in EAC Advisory 07-003-A, dated September 6, 2007, which requires county and/or local governments to comply with maintenance of effort requirements as stated in §254(a)(7) of HAVA.¶ This modification of EAC Advisory 07-003-A does not preclude States from including county and/or local government expenditures when determining the Maintenance of Effort baseline. This inclusion will be at the State's discretion, and not because it is a requirement of Federal law.

The Office of General Counsel has raised concerns about this modification with respect to OMB circular A-102. Therefore, this modification of EAC Advisory 07-003-A does not address the application of the circular to the Maintenance of Effort requirement. Commissioners hereby request the opportunity to examine HAVA and the relevant portions of circular A-102 in order to determine the proper application of the circular to the Maintenance of Effort requirement of §254(a)(7) of HAVA.