

ASSEMBLY STATE AND LOCAL GOVERNMENT COMMITTEE

STATEMENT TO

ASSEMBLY, No. 1670

with committee amendments

STATE OF NEW JERSEY

DATED: JUNE 17, 2020

The Assembly State and Local Government Committee reports favorably and with committee amendments Assembly Bill No. 1670.

This bill requires electronic voting system vendors to disclose any financial ties prior to approval by the Secretary of State. As amended, the bill would require those vendors to report significant changes in ownership or shareholder status on an ongoing basis.

Currently, voting system vendors must meet a number of requirements prior to approval and certification of voting systems in the State. However, the vendors are not required to disclose financial and investment ties. This bill would require voting system vendors to disclose any owners or shareholders with a five percent or greater interest or share in the company, in any subsidiary companies, or in the vendor's parent company. As amended, the bill would require changes of five percent or greater in ownership or shareholder status to also be reported.

This bill is a response to the recent elections security issues. Several states have taken steps to address potential security risks. In Maryland, the state moved to require voting system vendors to disclose its investment ties following the revelation that a former First Deputy Prime Minister of Russia, with close ties to Russian President Vladimir Putin, owned the firm which financed the buyout of Maryland's voting system vendor. In June of 2019, North Carolina's State Board of Elections voted unanimously for each vendor seeking certification in the state to disclose any owners or shareholders with a five percent or greater interest or share in the company, in any subsidiary companies or in the vendor's parent company.

This bill draws on the actions of these states to ensure the security of the elections of the State of New Jersey.

This bill was pre-filed for introduction in the 2020-2021 session pending technical review. As reported, the bill includes the changes required by technical review, which has been performed.

COMMITTEE AMENDMENTS

The committee amended the bill to require reporting of changes of five percent or greater of ownership or shareholder status.