

**Consolidated Fiscal Note – 2011-12 Session**

**Bill #:** H0210-4A **Complete Date:** 04/13/11

**Chief Author:** KIFFMEYER, MARY

**Title:** VOTER ID REQUIRED PRIOR TO BALLOT

<b>Fiscal Impact</b>	<b>Yes</b>	<b>No</b>
State	X	
Local	X	
Fee/Departmental Earnings	X	
Tax Revenue		X

**Agencies:** Secretary Of State (04/13/11)  
Public Safety Dept (04/13/11)

Administration Dept (04/13/11)  
Legislature (04/13/11)

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Net Expenditures</b>					
General Fund		1,245	3,536	141	1,492
Legislature		0			
Secretary Of State		1,037	127	141	142
Administration Dept		208	2,700		1,350
Public Safety Dept			709		
Misc Special Revenue Fund		75	324	215	215
Public Safety Dept		75	324	215	215
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
General Fund		1,245	3,536	141	1,492
Legislature		0			
Secretary Of State		1,037	127	141	142
Administration Dept		208	2,700		1,350
Public Safety Dept			709		
Misc Special Revenue Fund		75	324	215	215
Public Safety Dept		75	324	215	215
<b>Total Cost &lt;Savings&gt; to the State</b>		1,320	3,860	356	1,707

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

**Consolidated EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KATHARINE BARONDEAU

Date: 04/13/11 Phone: 651-201-8026

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**Agency Name:** Secretary Of State

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Dollars (in thousands)	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Expenditures</b>					
General Fund		1,037	127	141	142
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
General Fund		1,037	127	141	142
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
General Fund		1,037	127	141	142
<b>Total Cost &lt;Savings&gt; to the State</b>		1,037	127	141	142

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

## **Bill Description**

HF210-4A is a bill enacting various changes in election law.

This bill has four separate Articles:

Article 1 – Voter Registration, Photo Identification and Provisional Balloting.

Article 2 – Election Administration and Integrity

Article 3 – Electronic Rosters

Article 4 – Recounts

Article 1, section 1 makes the information on voter identification card applicants private data.

Article 1, section 2 defines a voter identification card.

Article 1, section 3 provides that voter identification card applications must be made in a format approved by the Department of Public Safety and also provides that there is no fee for an application for a voter identification card.

Article 1, section 4 provides that no fee or surcharge shall be charged for a voter identification card.

Article 1, section 5 provides that the application for the voter identification card and other cards include specified items of data required for driver licenses.

Article 1, section 6 provides additional items that must appear on the application for a voter identification card, including renewed, duplicate or updated cards.

Article 1, section 7 includes the voter identification card in certain definitions.

Article 1, section 8 provides for voter identification card applications to be filed with an agent of the Department of Public Safety.

Article 1, section 9 provides that an agent may not charge a fee for the voter identification card, but shall receive \$5 for each voter identification card application.

Article 1, section 10 provides for the filing of photos or images used in voter identification cards.

Article 1, section 11 provides the specifications for the data appearing on the voter identification card as well as when it must be issued.

Article 1, section 12 provides for the expiration of voter identification cards for those persons under the age of 65.

Article 1, section 13 provides that voter identification cards must be impervious to alteration.

Article 1, section 14 provides that no Social Security number may be displayed or encrypted on a voter identification card, or used as that card's number

Article 1, section 15 provides for an exemption from the voter identification card photograph requirement under certain circumstances, and also allows the applicant to wear head gear under certain circumstances.

Article 1, section 16 requires a person holding a voter identification card to obtain an updated duplicate card after each change of residence.

Article 1, section 17 allows the commissioner to cancel a voter identification card.

Article 1, section 18 requires that any person registering on election day or attempting to show proof to permit the counting of a provisional ballot must present one of the following pieces of identification:

- a current Minnesota driver license or identification card or a voter identification card
- a tribal identification card bearing the name, current address, signature, date of birth, a distinguishing number assigned to the voter, a photograph of the voter and other elements contained on a driver license;

- a Department of Public Safety or agent receipt for a new, renewed or updated driver license, state identification or voter identification card that is accompanied by one of the following:
  - a driver license or identification card that is expired or invalid
  - a US passport
  - an identification card issued by the federal government or any governmental unit of Minnesota
  - an identification card from a postsecondary institution, if that institution has sent a list of students to the county auditor
  - a tribal identification card from a Federally recognized tribe
- a student fee receipt showing the current address of the student with a valid driver license or identification card not bearing the current address of the student in the precinct.

This section also permits residents of residential facilities designated for battered women to register after showing their prior license or identification card with their prior residence address as well as a certificate of residence signed by the administrator of the facility.

Please note that while a voter may be allowed to register under this provision, they cannot actually vote on election day, other than casting a provisional ballot, unless they produce one of the documents listed in section 22, a narrower group of documents.

Article 1, section 19 provides for the establishment of an account to fund the issuance of voter identification cards, capped at an unspecified amount per card.

Article 1, section 20 repeals existing Election Day Registration law defining what identification documents or methods can be used and substitutes the list in section 18.

Article 1, section 21, provides an exception to the requirement that all voters' actual addresses be listed on the roster except for judges or law enforcement or corrections officers who request that a mailing address be printed instead.

Article 1, section 22 provides that for a voter to cast a vote guaranteed to be counted on election day, they must present a current driver license card, Minnesota ID card, or voter identification card (or an old or outdated card of any of the above with a receipt for a new, renewed or updated card), a tribal ID card containing various specified information, or, if the voter is a resident in a shelter for battered women, a driver's license showing the prior address and certification of residence signed by the administrator of the shelter of residence.

Article 1, section 23 requires that any person who is challenged, even if the election judges are satisfied that the person has the right to vote, is required to cast a provisional ballot unless the challenge is withdrawn. If the challenge was made as a result of a challenge listed on the roster, it cannot be withdrawn and the voter must vote provisionally.

Article 1, sections 22 and 24 provide that if a voter cannot produce the required identification, or if the voter is challenged on the roster or at the polling place, they may only vote provisionally. Provisional balloting is a completely parallel voting system wherein the voter's ballot is not tabulated unless the voter, within seven calendar days after the election, 1) appears before the county auditor or municipal clerk; 2) the voter appears as eligible in the statewide voter registration system (SVRS), or the voter proves they were eligible to vote; and 3) the voter presents the identification required by section 4 that matches the data on the provisional ballot envelope. . If the person does not appear in the seven days, the county auditor or municipal clerk must send the voter a letter stating that the vote did not count because of the voter's failure to appear to resolve the issue raised at the polling place.

Article 1, section 25 provides that intentionally misrepresenting a person's identity in requesting a provisional ballot or requesting that a provisional ballot be counted is a new felony.

Article 1, sections 26 through 32 provide for later canvassing of election returns by municipal, school board, county and state canvassing boards in order to accommodate provisional voting.

Article 1, section 33 provides for the Department of Administration to contract for a statewide public education campaign related to voter ID requirements. Funds are appropriated for that contract.

Article 1, section 34 provides \$709,000 in general funds for state-subsidized voter identification cards and also provides a blank appropriation for the secretary of state.

Article 1 is effective June 1, 2012 for elections held on or after that date.

Article 2 provides a variety of law changes or new provisions.

Article 2, section 1 provides that the secretary of state shall approve a format, presumably by rule, for electronic lists of students' names and current addresses, to be sent to county auditors by postsecondary institutions in Minnesota.

Article 2, sections 2 and 3 require that unique identifying numbers assigned to voters are permanent and may not be changed or reassigned to another voter. Section 5 also requires that the SVRS system have the capability to report individuals not registered and ineligible to vote as defined in section 11.

Article 2, section 4 provides that the list of persons believed to be ineligible to vote must be reviewed by the election judges during the election day registration process.

Article 2, section 5 requires election judges to keep a record of all those persons who attempt unsuccessfully to register on election day for failure to provide proper proof of residence. The law currently requires that they attempt to keep such a record. It would now be required.

Article 2, section 6 deletes language that provided that the failure to check a box on a form that the voter has certified to be true does not render the form deficient. That section also provides that counties and municipalities are required to attempt to obtain the dates of birth of voters who registered before August 1, 1983, by direct request to the voter. This was formerly at the county or municipality's option, it could not be asked for at the polling place and failure to provide the information did not formerly make the registration deficient.

Article 2, section 7 extends the retention period for voter registration applications from 22 to 36 months.

Article 2, section 8 requires that election day voter registration applications be entered within 42 days after the election, and eliminates the option for counties to have additional time for this task.

Article 2, section 9 provides that all election day registrants must be sent the postal verification card by the January 1 following the election at which the voter registered.

Article 2, section 10 redefines the receipt of a late or rejected absentee or mail ballot to not be voting history for any purpose, although it still exempts the person who attempted to vote from being made inactive for failure to vote in the preceding four years.

Article 2, section 11 establishes and defines the challenged eligibility list, specifies the information appearing on the list and provides the circumstances under which the list must be consulted.

Article 2, section 12 extends the retention period for rosters to 36 months after the election.

Article 2, section 13 requires an application for an absentee ballot to contain the applicant's driver license, state identification card or voter identification card number and the last four digits of the applicant's social security number (or a statement that the applicant does not have a social security number). Before approving the application, the county auditor or municipal clerk would be required to verify the validity of the driver license, state identification card or voter identification card submitted, including verification that it is a number assigned to the person making the application for absentee ballots. Verification that the applicant is not included on a list of known ineligible voters is also required. Absentee voting by those not having a driver license, Minnesota state identification card or voter identification card would not be permitted.

Article 2, section 14 prohibits a voter in a health care facility from applying for an absentee ballot from the election judges delivering ballots to that facility on election day.

Article 2, section 15 extends the retention period for absentee ballot applications to 36 months after the election.

Article 2, section 16 enacts various requirements for absentee ballot boards. It requires that such boards meet only during the absentee balloting period, that the time and place of each board meeting be posted on the Web site of the jurisdiction at least 14 days before the first board meeting, that the board must meet each day that the offices of the jurisdiction are open for election business, at the same time each day and at the same location and that the board may not meet except during regularly scheduled and posted meetings

Article 2, section 17 deletes language that prohibited inspection of rosters and voter registration applications until information had been completely entered into the SVRS, and extends the required retention time for materials from 22 to 36 months.

Article 2, section 18 prohibits the counting of voter receipts as a method of reconciling votes in the polling place unless the receipt generated by an electronic roster system. It instead requires election judges to count the number of signatures appearing on the polling place roster.

Article 2, section 19 reinstates the absence of the initials of the election judges on a ballot as a challenge in a recount.

Article 2, section 20 provides new procedures for precincts in which excess ballots are withdrawn from the pool of ballots, and requires the canvassing board to complete the tabulation of those precincts in which excess ballots are found and withdrawn.

Article 2, section 21 provides that the processes for removal of excess ballots apply to all precincts regardless of the counting method used in the precinct.

Article 2, section 22 requires additional labeling for spoiled ballots and defective ballots and requires separate storage envelopes for those ballots. It also provides that the treatment of damaged or defective ballots requiring duplication is governed by 206.86, subdivision 5.

Article 2, section 23 requires that summary statements must additionally include the number of ballots cast, the number of the voter signatures on a paper roster or the number of voter receipts as generated by an electronic roster, and the number of excess ballots, if any, removed by election judges.

Article 2, section 24 requires that election judges compare the number of ballots cast with the number of original signatures on the roster or the number of voter receipts generated by an electronic roster. If there is an excess, the process in 204C.20 must be followed.

Article 2, section 25 requires that excess and unused ballots be returned to the counting center.

Article 2, section 26 extends the time for filing an election contest to seven days after the data necessary to establish the grounds for the contest become available if the data is not available due to nonfeasance.

Article 2, section 27, provides for the inspection of materials by the parties to a contest.

Article 2, section 28 narrows the prohibition on political badges, buttons or insignias to those badges, buttons or insignia relating to candidates, parties or questions on the ballot at the current election.

Article 2, section 29 requires that the secretary of state report to the legislature by January 12, 2012, proposed legislation required to implement this bill. If it is not practical to codify the provisions, the legislation must specifically direct changes to be made in rule and the good cause rulemaking process in section 14.388 is authorized

Article 2, section 30 repeals section 203B.04, subd. 3 relating to health care patient absentee ballots, consistent with section 14 of this article.

Article 3, section 1, defines polling place roster to include electronic rosters and includes both pre-registered and election day registration voters.

Article 3, section 2, requires that electronic polling place rosters must be able to generate a voter's receipt with a space for the voter's signature.

Article 3, section 3, proposes a new section that permits, but does not require, the use of a self-contained electronic roster system for precincts, and if electronic rosters are used, sections 8 through 16 provide various standards and requirements for their use. An electronic roster system must be preloaded with all SVRS and Ineligible list data, statewide, must provide that voting information must be immediately accessible at all computers in that precinct and must be uploaded to the SVRS on election night or no later than one week after the election, must provide a printed voter receipt in all precincts for election day registrations, must immediately alert any election judge if a person presenting themselves at the precinct has already vote at the election, is ineligible, does not reside in the precinct or the voter registration status is challenged, must automatically accept and input data from a scanned drover license or identification card and match that data to existing voter registration data and must allow manual data input, and must perform all other functions required by law.

Article 3, section 4, provides that paper rosters will be provided unless the precinct in question is using an electronic roster.

Article 3, section 5, provides that each voter must sign the paper roster or in precincts using electronic rosters must sign a printed voter receipt that includes the roster oath, that voter receipts must also be issued in precincts using paper rosters and that the receipts must be retained for 36 months.

Article 3, sections 6 and 7 apply existing law to the use of electronic rosters with respect to challenges and pre-registration before special elections.

Article 3, sections 8 through 15 provide a new chapter of law that governs the flow of data for electronic rosters, including data encryption, security, backup, performance standards, preelection testing, a minimum of two computers per precinct, and pre-approval by the Secretary of State of written procedures.

Article 3, section 8 establishes the new chapter of law.

Article 3, section 9 defines certain terms to be used in the new chapter of statute related to electronic roster technology.

Article 3, section 10 requires the designated local election official to establish written procedures related to the electronic transfer of voting information to and from precincts using electronic rosters. Minimum standards for inclusion in the written procedures are provided in the bill, including contingency procedures to address a power or system failure.

Article 3, section 11 requires the secretary of state to ensure that each county's connection to the SVRS are sufficiently secure and encrypted. Minimum standards for encryption are provided.

Article 3, section 12 requires an electronic roster system connection to process voting transactions quickly. Maximum time standards for transactions are provided.

Article 3, section 13 requires new electronic roster technology to be tested prior to being used in an election. Minimum documentation requirements and standards for the testing are provided.

Article 3, section 14 requires a minimum of two computers in each precinct employing electronic rosters, but also allows counties to allocate computers based on voter registrations and past records of election day registrations

Article 3, section 15 requires written procedures and reports required by sections 8 to 16 to be filed by the county with the secretary of state and requires the secretary of state to review the procedures and either approve them or provide recommendations for changes to the county. The procedures and reports must be submitted no later than 60 days prior to the election, with 15 days provided the county after recommendations for change are provided to the county.

Article 3, section 16 creates a Legislative Task Force on Electronic Roster Implementation to facilitate development and implementation of electronic rosters and other tasks detailed in the section. There are 16 members, including four members of the legislature and four persons appointed by the legislature who were head election judges in the 2010 state general election, three county elections administrators, one township elections administrator, one city elections administrator, the CIO of the state (or designee), the secretary of state or designee and the director of information technology at the Office of the Secretary of State. The task force is to be

chaired by the House member of the majority caucus and will convene no later than July 1, 2011, report to the Legislature by December 1, 2011, and will be staffed by the Legislative Coordinating Commission.

Article 3, section 17 provides the effective date of August 14, 2012, except that the appropriation is effective the day following final enactment.

Article 4 provides a new chapter of law covering recounts.

Article 4, section 1. Updates cross-references to reflect the recodification of recount law into a new chapter of statute, chapter 204E.

Article 4, section 2. Establishes a new chapter of statute to govern automatic and discretionary recounts provided for in law. This section is, in part, a codification of existing administrative rule related to recounts, Minn. Rule 8235.0200.

Article 4, section 3. Designates certain individuals as "recount officials" and defines "legal adviser" for purposes of a recount. This section is a codification of existing administrative rule related to recounts, Minn. Rule 8235.0200.

Article 4, section 4. Specifies the scope of a recount and ballots that may be considered. This section is a recodification of existing statute related to recounts, section 204C.35, subd. 3.

Article 4, section 5. Specifies the thresholds for a recount in federal, state, and judicial elections. This section is a recodification of existing statute related to recounts, section 204C.35, subds. 1-2, except that language prohibiting a recount from delaying a canvass is eliminated and an updated cross-reference related to filing of election contests is added.

Article 4, section 6. Specifies the thresholds for a recount in local elections. This section is a recodification of existing statute related to recounts, section 204C.36, subds. 1-5, except that an updated cross-reference related to filing of election contests is added.

Article 4, section 7. Specifies procedures for notifying a candidate of a recount. This section is a codification of existing administrative rule related to recounts, Minn. Rule 8235.0300.

Article 4, section 8. Specifies procedures for securing ballots and election materials in a recount, and permits a candidate for an office to be recounted to inspect the ballots and materials prior to certification of the recount results.

This section is a codification of existing administrative rule related to recounts, Minn. Rule 8235.0400, with the exception of the new allowance for a candidate to inspect ballots and election materials prior to certification of the results.

Article 4, section 9. Specifies procedures for use of facilities and public accessibility in a recount. This section is a codification of existing administrative rule related to recounts, Minn. Rule 8235.0600.

Article 4, section 10. Provides general procedures to be used in conducting a recount, including an allowance for a candidate representatives, handling of materials, and access by members of the public. This section is a codification of existing administrative rule related to recounts, Minn. Rule 8235.0700.

Article 4, section 11. Provides procedures for ballot handling and sorting during a recount, including ballot challenges by a candidate. This section is a codification of existing administrative rule related to recounts, Minn. Rule 8235.0800, except that a definition of "frivolous challenge" is eliminated and a new requirement specifying that only the canvassing board may deem a ballot challenge to be "frivolous" is added.

Article 4, section 12. Specifies procedures for certifying the result of a recount by the appropriate canvassing board, and includes a provision related to tie votes. This section is a codification of existing administrative rule related to recounts, Minn. Rule 8235.1100, and a recodification of statute related to tie votes, section 204C.34.

Article 4, section 13. Specifies requirements for payment of a security deposit for recount expenses, where required by law. This section is a codification of existing administrative rule related to recounts, Minn. Rule 8235.1200.

Article 4, section 14. Instructs the revisor to update cross-references associated with the codification of rules and recodification of the recount statutes contained in this article.

Article 4, section 15. Repeals existing statutes related to recount process (the substance of which is recodified in this article as new chapter 204E, except for the authorization for the secretary of state to adopt new recount rules and the authority for recount officials to count more than one precinct at a time).

Article 4, section 16. Provides that this article is effective June 1, 2011 and applies to recounts conducted on or after that date.

### **Assumptions**

For this fiscal note, it is assumed that only ten percent of precincts, distributed over 9 counties in the state will employ electronic rosters and pollbooks.

*Programming* for the Statewide Voter Registration System and Election Registration Systems is required for the following proposed changes:

- To accommodate provisional voting
- To provide the SVRS data to electronic pollbook precincts
- To modify the public information list
- To create a new list of persons who are ineligible to vote

According to the IT staff of the Office of the Secretary of State, a total of 9,563 hours of professional requirements and design, programming development and testing, will be required for this project.

Under the Help America Vote Act (HAVA), section 302 (a)(5), a state using provisional voting must create a freely accessible system such as an Internet site or toll-free automated telephone system whereby the provisional voter may determine whether their vote was counted and if not, the reason it was not counted. The system must also be sufficiently secure that no one but the provisional voter could access that information. At the polling place, the election official must also provide to each provisional voter information describing the process of determining whether the provisional vote was counted.

This will mean that an entirely new module will need to be programmed in the SVRS, similar to the module programmed for absentee voting, along with the ability to establish a secure Web interface through which only the provisional voter can determine the status of their vote and any reasons for rejection.

Information Technology staff of the Office of the Secretary of State have estimated that this will require 1050 hours of professional staff time to create this system, which has been included in the programming hours estimated above in this section.

In addition, Article 2, section 13 of this bill requires that prior to the issuance of absentee ballots, a county auditor or municipal clerk must verify that the driver license or state identification card issued to the applicant is valid and assigned to that applicant. This will require all election officials administering absentee voting to have access to this data via an on-line database to accommodate in-person absentee voters. Staff or consultant effort is necessary in the amount of 600 hours to modify SVRS to do this check for voters for whom we have this data and to create a stand-alone database for voters for whom we do not and for cities, towns and school district clerks administering absentee balloting for stand-alone elections in which they are not using the SVRS. These hours are also included in the total hours above. DVS will need to provide OSS with an updated copy of their database each evening.

Once the ineligibility list is compiled, counties not using electronic rosters will need to print one copy per precinct of the ineligibility list for their county and provide it to the election judges for use on election day. In addition, the entire ineligibility list is to be checked before an absentee ballot is issued or a voter is registered.

All programming will be required regardless of how many municipalities choose to implement electronic roster and pollbook usage.

*Connectivity:*

The provision of connections that meet encryption standards is required in the electronic pollbook provisions of this bill. The connection must be sufficiently secure to prevent access by unauthorized individuals. Given that counties will want to wait until as close to the election as possible to have the most up-to-date information about who has cast absentee ballots, etc. in the pollbooks there would probably not be time to send the file out on CD or DVD. Our Internet connection would need to be strengthened to be robust enough to handle multiple counties downloading the file at the same time prior to the election and uploading data within a small window after the election. The file could either be made available via secure connection (SSL), or could be encrypted; the secure connection would be the ideal.

### *Security*

County election officials are to file information about encryption methodology with the secretary of state pursuant to Article 3, section 11. The computing staff of the Office of the Secretary of State will need to review this information to insure that the SVRS system and other systems maintained by the Office are compatible with this methodology. Computing staff believe that there will also be testing of encryption and dataflow with counties using electronic rosters, and that between review as required under Article 3, section 15, and testing, ten staff-hours will be needed for each county.

If precincts in 10% of the 87 counties use electronic rosters then there will be 9 sets of plans to be reviewed. At ten hours each, and thus 90 staff-hours. Temporary staff with technical qualifications will be required to conduct this review.

### *Policy:*

The bill provides that the secretary of state propose report proposed legislation to implement this bill by January 15, 2012. This means that there will be additional agency costs prior to and for the 2012 legislative session. These costs will be based on staff time required to produce the proposed legislation, which is estimated at approximately 400 hours of staff time split among three or more professional-level staff, and the cost of at least one professional for the entire session, who would spend 40% of their time on this task, as well as other staff who would assist this person. Implementation of this bill likely requires proposed language in a number of areas, (for example, provisional balloting, student resident lists, election judge and auditor use of the ineligible voter list, use of DVS data, use of electronic rosters, pre-election testing of electronic rosters and pollbooks). The bill also provides that there would likely be exempt rulemaking under section 14.388, which while having much lower costs than a standard rulemaking, would still have the costs of drafting, publication in the State Register and a limited review by an Administrative Law Judge from the Office of Administrative Hearings.

### *Maintenance:*

There are application maintenance costs in later fiscal years for the maintenance of the software developed for these functions, as well as licensing and broadband access fees.

Application maintenance is estimated at an initial yearly cost of 15% per year of the original application development costs, rising to 20% over the course of five years.

### *Equipment Task Force:*

There will also be costs to the Office of the Secretary of State from the need to provide two members to the Task Force as well as likely ancillary costs of technical staff to provide information to the Task Force and to evaluate how equipment would interact with the SVRS system and to determine what changes in SVRS would be necessary to accommodate the recommended equipment. It is estimated that 120 hours of professional computing time will be required for those efforts, with 30 additional hours for attendance at task force meetings.

### *Testing*

Elections and Information Technology staff of the Office also suggest that there be testing of the entire process provided for in this bill in a mock election to take place sometime before mid-June 2012. They estimate that such a mock election would require 85 hours of IT staff time and 202 hours of Election Administrator staff time.

**Expenditure and/or Revenue Formula**

No new **revenues** are to be collected under this bill.

**Expenditures** are:

**FY 2012**

Hardware:

To the extent they decide to use electronic rosters and pollbooks, municipalities will have to bear a variety of expenses relating to electronic rosters and pollbooks, including hardware expenses that are noted in the Local Government Costs section below.

Programming:

The required programming updates to or new modules for central state programs are:

- Electronic Roster County Download and Upload
  - Election Day Registration Upload
  - Absentee Ballots
  - Mail Ballots
  - Posting Voting History
  - Postal Verification Cards
  - Provisional Ballot Module and Voter-Look-up Function
  - Reports
  - Ineligible Voters List
  - Printing Judges and Officers Mailing Address on Rosters
- The programming and software for the polling place workstations are:

- Desktop Application
- Pollfinder on Desktop
- Ineligible Voters List

These costs will be incurred regardless of how many or how few municipalities choose to use electronic rosters and pollbooks.

These changes will require 9,563 hours of programming work, at \$80/hour, for a total of

\$765,000 (FY12)

Testing of Electronic Roster through "Mock Election"

200 hours of election administrator staff time @ \$40/hour =	\$ 8,000
80 hours of IT staff time @ \$80/hour =	\$ 6,400

\$ 14,000 (FY12)

Connectivity:

Hardware and software connectivity costs to provide the more robust connection required by the bill will include SSL Certificates for security (\$60,000), internet adjustments for access to the SVRS/ERS (\$12,000), servers and other items for robust handling of traffic (\$90,000), for a total of \$162,000 plus sales tax of \$12,353 for a total of:

\$174,000 (FY12)

Review and Testing of Security Encryption:

9 counties x 10 hours per county = 90 hours x \$80/hour =	<u>\$ 7,000 (FY12)</u>
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Rules and Policy:

400 hours @ \$50/hour for developing proposed implementation language = \$ 20,000 (FY12)

4 months staff time for Legislative ratification x 40% (683 hours x .4 x \$50/hour = \$ 14,000 (FY12)

Good Cause Exemption Rulemaking:

Drafting: 20 hours @ \$50/hour =	\$1,000	
Publication in State Register =	\$1,000	
OAH Costs @ 10 hours of OAH Attorney Time (\$80/hour) and 5 Hours of ALJ Time (\$160/hour) =	\$1,600	
	<u>\$3,600</u>	
		\$ 38,000 (FY12)

Training and education:

County Auditor Training: An additional day will be added to the Auditor Conference, increasing the costs for conference and meeting room fees, staff expenses (room, meals, transportation) and development of additional instructional material on changes in this bill. The most recent conference cost \$11,000 to the state for a two day conference; an additional day would therefore cost an additional \$ 6,000 (FY12)

The Election Judge Training video will need to be reshot, which will cost \$25,000 based on past complete videos. \$25,000 (FY12)

There will also be costs for OSS staff to consult with the vendor for the public educational campaign provided for in Article 1, section 20.

It is expected that this will require 200 hours of staff time @ \$40/hour, or \$ 8,000 (FY12)

**TOTAL FY2012 General Fund** **\$1,037,000 (FY12)**

All of these costs will be required in FY2012 because the provisions of the bill are generally effective, with some few exceptions, on July 1, 2012, for all elections held on or after that time. The first scheduled election after that date would be the state primary election on August 14, 2012, but due to the need to allow for absentee balloting starting the 46<sup>th</sup> day prior to the election, all functionality would need to be in place before July 1, 2012.

**FY 2013**

Application maintenance = Cost of original development (\$765,000) x 15% = \$115,000 (FY13)  
Software licensing = \$1,341 per year = \$ 1,000 (FY13)

Broadband Fees = \$950 per month x 12 months = \$11,400 per year = \$ 11,000 (FY13)

**FY2013 General Fund State Costs** **\$127,000**

**FY2014**

Application maintenance = Cost of original development (\$765,000) x 16% = \$122,000 (FY14)  
Software licensing = \$1,341 per year = \$ 1,000 (FY14)

Broadband Fees = \$950 per month x 12 months = \$11,400 per year = \$ 11,000 (FY14)  
 Security review of encryption methodology will recur in each even numbered Fiscal Year = \$ 7,000 (FY14)

**FY2014 General Fund State Costs** **\$141,000**

**FY2015**

2015 Application maintenance = Cost of original development  
 (\$765,000) x 17% = \$130,000 (FY15)  
 Software licensing = \$1,341 per year = \$ 1,000 (FY15)  
 Broadband Fees = \$950 per month x 12 months = \$11,400 per year = \$ 11,000 (FY15)

**FY2015 General Fund State Costs** **\$142,000**

**TOTAL SECRETARY OF STATE COSTS** **\$1,447,000**

**Long-Term Fiscal Considerations**

The costs of providing voter identification cards at no charge to citizens will continue in each biennium, but are covered under the portion of this fiscal note provided by the Department of Public Safety.

The costs of providing voter registration data as well as secure connections with sufficient bandwidth to the SVRS for electronic pollbook data upload and download via the counties will occur at each election.

Yearly software maintenance costs will grow from year to year by additional one percent, to a ceiling of 20% of the original development costs, or an additional \$7,650 per year over the initial maintenance costs until FY2018.

The cost of reviewing procedures and reports and testing encryption methodology for each precinct and polling place under Article 3, section 11, costing \$7,000 per election, adjusted for inflation, will occur in each even numbered fiscal year.

**Local Government Costs**

Local government must pay for computers and peripherals for electronic rosters, if used.

Because of the rigorous speed requirements for transactions on these machines as well as the need for each machine to have a copy of the SVRS database reside on the machine, as well as the need for printed voter receipts, it is necessary to purchase robust hardware, including laptops that contain 8GB RAM, run Windows 7, and use a 64-bit processor or better, have a second hard drive for backup, has an uninterrupted power supply available, and uses a 9 cell battery.

The voter receipt printer would need to be a dot-matrix printer in order to print the voter receipts without lengthy warm-up periods, and with the volume necessary to serve large numbers of voters in a short time. There will also need to be a full-page printer to print voter registration applications.

The cost of each electronic roster and pollbook workstation is:

\$2500 for each laptop computer with sufficient functionality to meet the specifications in this bill;  
 \$ 300 for a voter receipt printer; and  
 \$1493 for peripheral items such as cables, card readers, software licenses, cases and the like

for a total of \$4293 per workstation. Each precinct would also require a laser printer for election day registration and other purposes, at a cost of \$300 per precinct. Sales tax would also be charged at the local rate, for example, the sales tax rate in St. Paul is 7.625%

Article 3, section 14 allows counties to allocate workstations to precincts but does not contain a formula. It sets the minimum number of workstations at two per precinct.

This note assumes that half the precincts in the state will use the electronic roster and pollbook.

- It is estimated that precincts with between 101 and 249 registered voters will need one workstation, and there are 745 such precincts. If half of those precincts use electronic rosters and pollbooks, that will require 373 computers.
- Precincts with between 250 and 499 registered voters will need two workstations, and there are 594 such precincts. If half of those precincts use electronic rosters and pollbooks, that will require 594 computers.
- Precincts with over 501 registered voters will need at least three computers, and there are 1895 such precincts. If half of those precincts use electronic rosters and pollbooks, that will require 2843 computers.

In addition, some municipalities may wish to purchase additional electronic roster workstations beyond three per precinct to accommodate the large numbers of voters in their very largest precincts, having over 700 registered voters each, especially during a presidential general election where nearly 80% of the eligible voting age population vote. The Office of the Secretary of State estimates that these very large precincts will need one additional workstation for every 200 registered voters in excess of 500.

- Precincts with more than 700 but fewer than 900 registered voters will need one additional workstation over and above the three provided under the minimum requirements. If half of the 214 such precincts use electronic rosters and pollbooks, there will be 107 additional workstations.
- Precincts with more than 900 but fewer than 1100 registered voters will need two more workstations. If half of the 202 such precincts use electronic rosters and pollbooks, they will need 202 more workstations.
- Precincts with over 1100 registered voters will need three more machines. If half of the 1220 such precincts use electronic rosters and pollbooks, they will need 1830 additional workstations.

This adds up to a total of 5945 workstations, for a total of \$25,539,000 in computers expected to be purchased under this bill. Sales tax will add another 7.625%, or \$1,947,000 for a total of \$27,486,000 (FY12)

Full-page laser printers to print election day registrations for precincts using electronic rosters and pollbooks, at \$300 each will cost approximately an additional \$600,000.

It is unlikely that precincts will have room for more than six workstations in any one precinct and so no estimates beyond that point are made in this note.

Counties or cities will be permanently responsible for the maintenance, storage and insurance of all of this equipment.

Municipalities will need to contract for the workstations and other equipment, if the municipalities elect to implement electronic roster and pollbook use. This will require a contracting process, evaluation of bids, awarding the bid, negotiating and writing the contract, and procuring the equipment and afterwards, administering the contract.

This bill permits electronic rosters to be used in connection with state elections, but does not require their use. If they are used, they must conform to the provisions of new chapter 206A as proposed in this bill. If they are not used, however, the alternative roster used, whether a paper roster or an arrangement of two connected computers within the precinct, must provide for data from the SVRS (scope unspecified, but assumed to be the precinct), and must contain the ineligible voter list for the county in which the precinct is located

Municipalities operating polling places will hire additional election judges to administer the new photo ID, election day registration, ineligible voter list and provisional voting procedures, as these proposals will make the voting process more complicated to administer, meaning that in order to accommodate the same number of voters, more staff would be required. Staff will also be needed to monitor provisional voters to insure that they do not put those ballots in the regular ballot box.

Provisional voting, as proposed in this bill, is primarily a local government cost. The additional procedures on election day will be a cost to municipalities that operate polling places, while the cost of processing provisional

votes after election day will be a county or municipality cost, requiring additional staff time to evaluate any proof of identity or residency provided by provisional voters within the seven days after the election.

Local units of government will also need to provide, as part of each election, the certificates for casting a provisional ballot, separately designated ballot boxes, storage envelopes and secure storage receptacles to each precinct to secure any provisional ballots cast at the polling place, as well as the process for presenting identification after the election, and the notification to voters if no identification is later produced.

Immediately following Election Day, local election officials will need to enter data about provisional ballots into the SVRS so that it will be available to voters via the online lookup as required by HAVA, section 302(a)(5). This is a new mandate that will need to take place during a period in which the local election officials are already busy preparing to canvass the election results, entering voter data into the database, and now processing the provisional ballots for provisional voters who return to have them counted and preparing a mailing to those who do not.

In addition, on the day following the election, county auditors will need to enter voter registration applications for any provisional voters, so that if they come to the office to have their vote counted they can be looked up in the system.

In other states that have imposed photo identification requirements, election officials have traveled to voters who might need the free voter IDs as part of an outreach effort to ensure that the law meets constitutional muster. Similarly, counties or DVS will need to provide the mobile units to travel to nursing homes and other health care facilities in each year in which elections occur in their area.

As a result of the extension of retention periods for a variety of election records from 22 to 36 months. Space requirements will grow by 100% and there will be an increase in local storage facility expenses, as there will now be retention of successive and overlapping election cycles of materials.

Changes in this bill to the absentee ballot board process will cause increased expenses, as absentee ballot boards will now be required to meet each day election business is carried on at the same time and place, and the boards must post all meetings 14 days prior to the first meeting.

There will be a substantial decrease in the amounts spent by counties on posting voting history and entering election day registrations in those precincts using the electronic pollbooks and rosters, however, there is also the potential for increased expenses for counties with precincts that do not use without electronic pollbooks to meet the 42 day deadline for entering election day registrations.

Counties and municipalities will have to pay for additional separate envelopes and secure storage of spoiled and defective ballots.

Local canvassing boards will need to tabulate the results in precincts in which excess ballots were found and withdrawn. It is not clear whether that will require a manual tabulation or a machine tabulation but in either instance, additional staff time will be required.

Once the ineligibility list is compiled, counties using paper rosters will need to print one copy per precinct of the ineligibility list for their county and provide it to the election judges for use on election day.

Counties and municipalities are also now required to inquire of persons initially registered prior to August 1, 1983 to obtain the birth date of the voter by affirmative inquiry, which will require additional staff time and possibly printing, envelopes, postage and return postage in order to obtain this information from voters.

Counties and municipalities will also be required to verify the driver license or state ID card number prior to issuing an absentee ballot, and that will require additional local staff time and database access.

Counties will also incur additional costs for any additional training days at the county auditor conference or elsewhere. There will also be additional training costs at the local level for all of the new state and local procedures provided by this bill.

This bill establishes new crimes to be prosecuted by counties, and will incur additional prosecutorial costs.

Local election officials will need to establish various procedures to implement the electronic pollbook provisions of this bill, including security, contingency and backup, data encryption and testing. Testing procedures must be carried out prior to the election which will also require additional staff time.

**References/Sources**

Bert Black, Legal Advisor, Office of the Secretary of State, 651-201-1326  
Information Technology staff of the Office of the Secretary of State

Agency Contact Name: Jim Gelbmann (651-201-1344)  
FN Coord Signature: KATHY HJELM  
Date: 04/13/11 Phone: 651-201-1361

**EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KATHARINE BARONDEAU  
Date: 04/13/11 Phone: 651-201-8026

**Fiscal Note – 2011-12 Session**

**Bill #:** H0210-4A **Complete Date:** 04/13/11

**Chief Author:** KIFFMEYER, MARY

**Title:** VOTER ID REQUIRED PRIOR TO BALLOT

<b>Fiscal Impact</b>	<b>Yes</b>	<b>No</b>
State	X	
Local		X
Fee/Departmental Earnings		X
Tax Revenue		X

**Agency Name:** Legislature

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Expenditures</b>					
General Fund		16			
<b>Less Agency Can Absorb</b>					
General Fund		16			
<b>Net Expenditures</b>					
General Fund		0			
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
General Fund		0			
<b>Total Cost &lt;Savings&gt; to the State</b>					

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

## **Bill Description**

HF 210-4A in part establishes a Legislative Task Force on Electronic Roster Implementation to facilitate development and implementation of electronic rosters for use in elections. The Task Force will be composed of 16 members: four legislative members (two senators, two representatives), 9 public members and 3 members from state agencies. The Task Force will submit a report of its activities and recommendations to the Legislature by Dec 1, 2011. The LCC will convene the first meeting and will provide staff support to the Task Force.

## **Assumptions**

- 1) The bill does not provide for payment of per diems or for the reimbursement of expenses of Task Force members. However, legislative members could request reimbursement for expenses from engaging in legislative activity from the House and the Senate.
- 2) The LCC will provide meeting space within the Capitol Complex for the Task Force. No costs will be incurred for the meeting space.
- 3) The cost of LCC staff support to the Task Force will be absorbed by the LCC.
- 4) Staff from the House Research Department and Senate Counsel will each provide an estimated 40 hours of support to the Task Force. This cost will be absorbed by the House and by the Senate.
- 5) We assume the Task Force will meet six times.
- 6) We assume the Task Force will expire on December 1, 2011 after submission of its report to the Legislature.

## **Expenditure and/or Revenue Formula**

The fiscal impact of HF 210-4A is zero since the bill does not provide for per diem or expense reimbursements for members of the Task Force. Legislative staff support to the Task Force is absorbed.

The following table shows the participation cost for legislative and public members for informational purposes only.

	FY12
Total Legislative Member Participation Cost	4,974
Total Public Members Participation Cost	11,470

The following table shows the cost of support services to the Task Force absorbed by the Legislature.

	FY12
Legislative Staff Support	16,037
Cost Absorbed	(16,037)
Net Cost	0

## **Long-Term Fiscal Considerations**

N/A

## **Local Government Costs**

N/A

## **References/Sources**

Greg Hubinger, Legislative Coordinating Commission  
Jim Reinholdz, Minnesota House of Representatives  
Jim Greenwalt, Minnesota Senate

FN Coord Signature: DIANE HENRY-WANGENSTEEN  
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**EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: LISA BARNIDGE

Date: 04/13/11 Phone: 651-201-8032

**Fiscal Note – 2011-12 Session**

**Bill #:** H0210-4A **Complete Date:** 04/13/11

**Chief Author:** KIFFMEYER, MARY

**Title:** VOTER ID REQUIRED PRIOR TO BALLOT

<b>Fiscal Impact</b>	<b>Yes</b>	<b>No</b>
State	X	
Local	X	
Fee/Departmental Earnings		X
Tax Revenue		X

**Agency Name:** Administration Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Expenditures</b>					
General Fund		208	2,700		1,350
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
General Fund		208	2,700		1,350
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
General Fund		208	2,700		1,350
<b>Total Cost &lt;Savings&gt; to the State</b>		208	2,700		1,350

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Full Time Equivalents</b>					
-- No Impact --					
<b>Total FTE</b>					

## **Bill Description**

HF210-1E(R) proposes changes to election law, voter registration, photo identification, provisional balloting, public education related to photo identification, election administration, electronic rosters, and recounts. Article 1, Section 33 of the proposed legislation requires the Department of Administration (Admin) to contract for the production and implementation of a statewide voter education campaign.

## **Assumptions**

Admin is presumably being designated as the contracting agent because of its overall contract oversight role. However, Admin lacks the subject matter expertise required to develop the appropriate Request for Proposal (RFP). The state's best resources in this area reside in the Office of the Secretary of State (SOS). To insure quality of the effort, Admin would need to contract with a third party (in addition to the implementer of the voter education campaign) if the SOS does not manage this responsibility.

Admin has reviewed some of the available literature regarding the costs of relevant public education campaigns. Estimates vary widely across the states that have considered the issue.

The Brennan Center for Justice, in a publication 'The Cost of Voter ID Laws: What the Courts Say', concluded that states implementing photo ID laws should be prepared to incur costs around public education to survive a court challenge. The report identified the types of costs that are likely:

- mailings to all citizens;
- production of radio and television public service announcements and the purchase of airtime to broadcast the announcements;
- purchase of space in newspapers to advertise new voter; and
- website modifications

The Pew Center on the States is believed to be an objective source of public policy information. A Pew report looked at two states that have implemented comparable programs. It reports that Georgia spent \$840,000 in 14 months for relevant voter education. Indiana is reported as having spent \$2.2 million on public education.

The Pew Center also looked at estimates from states that are considering voter ID laws. A survey of agency fiscal notes finds overall implementation costs ranging from "negligible" to nearly \$10 million over two years.

Other sources cite significantly higher costs. As one example, Common Cause Minnesota estimates the public information costs in Minnesota could reach \$17.68 million.

Admin researched contract costs for public information campaigns on other topic areas. Going back to 2004, we found eight examples of public education contracts, ranging in cost from \$91,257 for a program to identify children needing special education services to \$2.5 million for Public Safety driver awareness and safety campaigns. The average cost for these contracts was \$650,000.

There is no precise method to determine the actual costs of the education campaign without issuing a public solicitation that defines the required work and evaluating the vendor responses. However, for purposes of establishing an appropriation and budget, the SOS's estimate of related costs (\$2,700,000 million in FY 2013 and \$1,350,000 in FY 2015) appears appropriate for the vigorous education campaign intended.

Admin assumes the cost of contracted services will be roughly equivalent to the SOS's estimate for in-house implementation. Actual costs of an outsourced solution could be somewhat higher or lower.

Alternatively, if due to budget constraints, it is concluded that Minnesota must mount a less costly education campaign, the legislature could appropriate whatever lesser amount it is willing to commit to education and outreach. Admin could then issue an RFP with that dollar limit and see what services the various responders would be able to provide within the budgeted amount. The risk with this approach would presumably be a court challenge as to whether the state had fully met its obligations for public education.

## **Expenditure and/or Revenue Formula**

Admin anticipates the need for additional subject matter expertise (beyond what we receive from the SOS) through paid consultants and have estimated an average of 20 hours per week starting in July 2011 and ending in

July 2012, as the stakeholders are engaged, RFPS drafted, and contracts awarded. Estimated cost is \$200/hour or \$208,000/year total.

**Long-Term Fiscal Considerations**

As the SOS has noted in prior fiscal notes, anticipated costs will be reduced for each election cycle as public awareness increases.

**Local Government Costs**

Local government costs associated with HF210-3A, Article 1, Section 33 would be involvement as stakeholders in planning which would be done on a voluntary basis with interested local units.

**References/Sources**

Pew Center for the States: "electionlineWeekly" (March 17, 2001)  
Common Cause Minnesota: "The High Costs of Voter ID Mandates" (March 2011)  
Brennan Center for Justice: "The Cost of Voter ID Laws: What the Courts Say"  
Admin Materials Management Division's professional/technical services database

FN Coord Signature: LENORA MADIGAN  
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**EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KATHARINE BARONDEAU  
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**Fiscal Note – 2011-12 Session**

**Bill #:** H0210-4A **Complete Date:** 04/13/11

**Chief Author:** KIFFMEYER, MARY

**Title:** VOTER ID REQUIRED PRIOR TO BALLOT

<b>Fiscal Impact</b>	<b>Yes</b>	<b>No</b>
State	X	
Local	X	
Fee/Departmental Earnings	X	
Tax Revenue		X

**Agency Name:** Public Safety Dept

This table reflects fiscal impact to state government. Local government impact is reflected in the narrative only.

Dollars (in thousands)	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Expenditures</b>					
General Fund			709		
Misc Special Revenue Fund		75	324	215	215
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
General Fund			709		
Misc Special Revenue Fund		75	324	215	215
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
General Fund			709		
Misc Special Revenue Fund		75	324	215	215
<b>Total Cost &lt;Savings&gt; to the State</b>		75	1,033	215	215

	<b>FY11</b>	<b>FY12</b>	<b>FY13</b>	<b>FY14</b>	<b>FY15</b>
<b>Full Time Equivalent</b>					
-- No Impact --					
<b>Total FTE</b>					

## **Bill Description**

Voter picture identification (ID) required before receiving a ballot, state subsidized ID cards provided at no charge.

## **Assumptions**

Assume an effective date of June 1, 2012.

Assume the current application form would have to be revised to allow the applicant to indicate that a state subsidized identification card is being requested.

Assume Driver's License Agent (DLA) offices would accept applications for a Voter ID card.

Assume DLA's would process 80% of the applications for Voter ID cards.

Assume DLA's would be reimbursed \$5.00 per each application.

Assume the current cost to produce and issue a voter ID card remains constant at a rate of \$9.85.

Assume DVS would be reimbursed \$9.85 per voter ID card from the General Fund.

State Demographer statistics show there are 4,005,417 Minnesota residents 18 years old or older.

Assume there are 3,861,000 Minnesota residents 18 years old or older who have a DL, permit or ID card.

Assume there are approximately 144,000 Minnesota residents eligible to vote who do not have a valid DL, permit or ID card.

Assume the last month of fiscal year 2012 is included in the expenditure estimates for fiscal year 2013 voter ID cards.

Assume 50% (72,000) of the 144,000 residents would apply for the subsidized voter ID card in FY2013.

Assume 15,000 new state-subsidized voter ID cards would be issued each year beginning in FY2014.

Assume the current card vendor's estimate of \$45,000 for programming changes remains constant.

Assume rule making cost of \$30,000 to have authority to verify citizenship.

Assume DVS will use Systematic Alien Verification for Entitlements Program (SAVE) offered by US Citizenship and Immigration Services to verify citizenship at a cost of \$0.50 per request.

Assume the costs associated with the technology and infrastructure costs associated with the issuance of these ID cards are not included in the estimated costs identified to produce and issue the ID card.

Assume the Secretary of State's office would purchase equipment capable of extracting information from the bar codes of the current drivers' licenses or ID cards.

Assume a state subsidized ID card appropriation would be from the General Fund in FY2013 for \$709,000.

## **Expenditure and/or Revenue Formula**

Expenditures:

-FY2012 card vendor programming cost \$45,000, Driver Services Operating Account (DSOA); rulemaking cost of \$30,000 (DSOA).

-FY2013 State-subsidized ID card DVS expenses Special Revenue Fund  $72,000 * \$9.85 = \$709,200$ ; State-subsidized ID card DLA expenses Special Revenue Fund  $72,000 * 80\% = 57,600 * \$5.00 = \$288,000$ ; SAVE cost  $72,000 * \$0.50 = 36,000$  (DSOA).

-Subsequent years DVS expenses  $15,000 * \$9.85 = \$147,750$  (DSOA); DLA expenses  $15,000 * 80\% = 12,000 * \$5.00 = \$60,000$  (DSOA); SAVE  $15,000 * \$0.50 = \$7,500$  (DSOA).

-Cost to produce ID card is \$9.85

- Production and mailing \$1.58
- Application form \$ .04
- Staff costs \$8.23

## **Long-Term Fiscal Considerations**

The DVS budget is fee-based and must cover the cost of business through the fees collected. Any increase in expenses may require increasing fees.

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## **EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

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