

## Department of Planning and Budget 2005 Fiscal Impact Statement

**1. Bill Number** SB1143

<b>House of Origin</b>	<input checked="" type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
<b>Second House</b>	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input type="checkbox"/> Enrolled

**2. Patron** Hanger

**3. Committee** General Laws

**4. Title** Administration of government; acceptance of personal identification cards; penalty.

**5. Summary/Purpose:**

Requires every agency, political subdivision, or court of the Commonwealth to verify the lawful presence in the United States of any person who has made a claim of legal residence or domicile in the Commonwealth for any purpose for which legal residence or domicile is required by law, ordinance, or regulation. The bill provides means of verification and penalties for misrepresenting legal presence or accepting improper documentation.

**6. Fiscal Impact Estimates are Preliminary.** See Section 8 below.

**7. Budget amendment necessary:** Yes. Items unknown.

**8. Fiscal implications:** This legislation will require all state agencies, political subdivisions, and courts to verify legal presence of any persons for which legal residence or domicile is required by law, ordinance, or regulation. Verifying legal presence would require an original birth certificate, passport, or related document from every individual, and the need to physically have the individual show other picture identification consistent with the legal presence documents. Verification would be nearly impossible through the mail, phone, or Internet.

The Department of Motor Vehicles had to implement provisions consistent with this legislation in FY 2004. The estimated annual costs to DMV for implementing this requirement are approximately \$1 million, including hiring additional staff to address more people coming to DMV offices and training employees to identify forged documents. With this kind of cost of one state agency, adding all other state agencies and local governments to these requirements has the potential to place significant fiscal impact on state and local governments.

Other state agencies that would feel the most impact from this bill would be those servicing the needy, students from higher education and K-12, and the court system. The Department of Health, the judicial system, higher education, and K-12 could be required to add staffing to check for the required documents supporting this bill.

The Department of Health presently allows individuals to make a signed declaration of citizenship for benefits from TANF (Temporary Assistance for Needy Families) and Medicaid. The proposed bill will require additional staff though, as more documentation will be required to verify citizenship. The clerk's offices would also encounter additional staffing requirements due to the bill requirements.

The Department of Education would need to verify all existing students, as well as new students coming into public and private schools and institutions. For example, higher education institutions would be required to verify legal presence for its students. Based on preliminary cost estimates for the institutions, the cost of verification per student could range from \$12 to \$25. Given the state's 343,000 students, the cost to the state could range from \$4.1 to \$8.6 million.

This legislation also makes it a Class 2 misdemeanor for anyone to claim legal presence in the United States in order to obtain public benefit or services without the appropriate supporting documents. Anyone convicted of a Class 2 misdemeanor is subject to a sentence of up to 6 months in jail and a maximum fine of \$1,000. There is not enough information available to reliably estimate how many additional inmates in jail could result from this proposal. Any increase in jail population will increase costs to the state. The Commonwealth pays the localities \$8.00 a day for each of the misdemeanor or otherwise local responsible prisoner held in a jail. It also funds the majority of the jail's operating costs, e.g. correctional officers. The state's share of these costs varies from locality to locality. According to the Compensation Board's most recent Jail Cost Report (FY 2003), the estimated total state support for local jails averaged \$27.42 per inmate, per day in FY 2003.

**9. Specific agency or political subdivisions affected:** All state agencies.

**10. Technical amendment necessary:** No

**11. Other comments:** None

**Date:** 1/25/2005 cab

**Document:** G:\Fis 2005\Sb1143.Doc

**Cc:** Secretary of Public Safety