

Department of Planning and Budget 2012 Fiscal Impact Statement

1. Bill Number: HB569H1

House of Origin ☐ Introduced ☒ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Marshall, D.W.

3. Committee: Privileges and Elections

4. Title: Elections; identification to register to vote and to vote.

5. Summary: Requires the following: (i) posting notice of legally required voting qualifications and penalties for violations in at least two languages at all polling places; (ii) proof of citizenship with registration applications; and (iii) proof of identification to vote at the polls. Persons failing to provide proof of identification will be allowed to vote using a provisional ballot. The bill provides that any person who is registered in Virginia as of January 1, 2012, is deemed to have provided satisfactory proof of citizenship and is not required to submit proof of citizenship; however, that privilege shall not be construed to affirm or deny whether such person is lawfully registered to vote in the Commonwealth. The act will take effect January 1, 2013.

6. Budget Amendment Necessary: Yes, Item 87 HB30

7. Fiscal Impact Estimates: Preliminary

7a. Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2012	0	0	
2013	\$1,972,120	2	General
2014	\$996,000	2	General
2015	\$56,000	0	General
2016	\$73,000	0	General
2017	\$161,000	0	General
2018	\$56,000	0	General

8. Fiscal Implications: State Board of Elections (SBE) indicate that this bill will have fiscal impact for the agency, the Department of Motor Vehicles (DMV), other state-designated voter registration agencies, and local general registrar offices. The costs associated with implementing and administering this legislation includes issuing free photo ID's to individuals who request them, developing the technological infrastructure for DMV to provide to SBE the citizenship status for individuals in DMV's system, developing and conducting the training and educational outreach programs that are needed to inform voters of the change in laws for voter registration and for photo identification requirements at the

polling place. In addition, the bill will have a fiscal impact to localities by having to develop a system to store the citizenship documentation, additional postage fees to contact voters who do not provide the required documentation with their registration applications, increased costs associated with election materials, the purchase of scanning equipment and data storage solutions, and the potential for having to purchase digital camera and photo identification producing equipment.

Based on researched information, the costs associated with DMV and/or SBE for producing free photo IDs to individuals who request them would be the following:

<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
\$0.00	\$80,000	\$25,000	\$42,000	\$130,000	\$25,000

These numbers are based on Georgia's numbers for implementing photo identification, a state to Virginia in both size and demographics. Using the experience in Georgia, SBE anticipates that Virginia would see an initial rush of individuals seeking these IDs in FY 2014, some leveling off in FY 2015 and FY 2016 and then a significant uptick in FY 2017 for the high-turnout presidential election year of 2016. The cost estimate to produce and mail the photo IDs are approximately \$10.00 per person.

The costs associated for SBE training and voter outreach to inform voters of the change to the voter registration and photo identification requirements would be the following:

<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
\$150,000	\$150,000	\$15,000	\$15,000	\$15,000	\$15,000

These figures represent reasonable training and voter outreach costs associated with the change in voter registration and photo identification requirements. This would include the option for SBE to hire a contractor or wage employee to organize the Commonwealth's voter outreach and PR efforts associated with implementing this legislation for FY 2013 and FY 2014. These funds would also be used to develop Public Service Announcements (PSAs) to educate Virginians about the change in laws.

The ongoing technological costs to SBE associated with implementing and administering the legislation are estimated to be the following:

<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
\$96,000	\$16,000	\$16,000	\$16,000	\$16,000	\$16,000

This includes an \$80,000 FY 2013 to change Virginia's statewide voter registration system (VERIS) and \$16,000 in annual VITA fees associated with the need for the increased storage of data.

SBE indicates that it will also need to hire a Business Analyst to develop business processes and oversee implementation of this legislation from a technological perspective. The costs associated with this position will be approximately \$80,000 for FY 2013 and FY 2014. By FY 2015, the processes should be developed and in the position will no longer be necessary.

DMV has provided preliminary estimates for costs on their end to be approximately \$286,120 for FY 2013. SBE believes the \$286,120 number is for developing the credential (photo identification format). Some of the costs associated with developing and providing the free photo ID to voters could be higher for SBE and/or DMV depending on how each agency develops and administers the program.

Additional DMV costs may include developing the technological capability to provide the specific citizenship proof to SBE and/or the general registrar offices that the bill requires.

SBE estimates a one-time cost of \$20,000 in FY 2013 to redesign and reprint voter registration applications and other documents to indicate that proof of citizenship will be required from voters.

Requiring proof of citizenship for voter registration and photo identification at the polls will fundamentally change election administration at the local level. SBE estimates the costs to be at least \$1.34 million for FY 2013 and \$670,000 for FY 2014 to fund the implementation of this legislation at the local level. Localities will need to purchase scanners, data-storage solutions, digital cameras and identification making equipment, additional computers, and other IT solutions to implement this legislation that make up this cost. In the initial implementation period, additional HR resources will be needed to process applications and communicate with registrants who did not provide the required documentation. Additional postage and printing will also result from the additional correspondence that will need to be sent to applicants who do not provide photo ID. Local election officials will have to train their officers of election on the photo identification requirements on Election Day. Local costs are not included in the values given in item 7 above.

Some of the costs to localities may be mitigated by keeping the registrars out of the photo identification process altogether. For example, registrars could provide a voucher to individuals seeking photo identification and allow that individual to go to DMV to get his/her picture taken and photo ID produced by DMV's vendor. In addition, centralizing the data transfer so that DMV and SBE are working directly instead of each locality with DMV may also lessen the fiscal impact.

These estimates are in line with and, in many cases, lower than the implementation costs seen in other states that have implemented photo identification and proof of citizenship requirements. For example, Indiana has spent over \$10,000,000 in implementing photo identification requirements alone without the proof of citizenship requirements.

9. Specific Agency or Political Subdivisions Affected: SBE, DMV, other state-designated voter registration agencies, and local general registrar offices.

10. Technical Amendment Necessary: No.

11. Other Comments: N/A

Date: 2/8/2012