

## Department of Planning and Budget 2012 Fiscal Impact Statement

1. **Bill Number:** HB1007

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

2. **Patron:**        Ramadan

3. **Committee:** Privileges and Elections

4. **Title:**            Voter registration; Department of Motor Vehicles.

5. **Summary:** Provides for cooperation between the Department of Motor Vehicles (DMV) and the State Board of Elections (SBE) in the prompt transmittal of voter registration applications and change of address information from DMV offices to SBE and the general registrars.

6. **Budget Amendment Necessary:** No.

7. **Fiscal Impact Estimates:** Preliminary

**7a. Expenditure Impact:**

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2012	0		
2013	\$959,000		Federal Grant
2014	0		
2015	0		
2016	0		
2017	0		
2018	0		

8. **Fiscal Implications:** SBE indicates that this bill will have upfront costs but potential long term savings to the agency. Examples from other states demonstrate the long-term savings of automating voter registration at departments of motor vehicles. Currently, most voter registration applications completed at DMV are sent to SBE in Richmond. SBE then must sort them and then mail them to each of Virginia's 134 localities.

Automating the process at DMV would save thousands of dollars in postage and labor for the weekly mailings of these registrations to localities although DMV states that exact savings for the agency are unknown at this point, depending on the method used for transmittal of voter information.

The estimates in line 7 assume the bill can be implemented in FY 2013. If not, costs would then move out one year.

SBE estimates that initial costs will be \$700,000 in FY 2013 to purchase and install the peripheral (tablet or touch-screen monitor-type device) that will be used at DMV Customer Service Centers for the electronic in-person DMV voter registration application. This number

includes estimated VITA fees. The annual maintenance of this peripheral equipment has been estimated to cost \$208,463 and this cost would begin FY 2014.

There would also be VITA project management costs associated with implementing automated DMV registration. These would run approximately \$176,800 to implement in FY 2013. Specifically, this would represent one project manager compensated at \$85.00/hour for the year.

Integration costs at SBE would total \$57,200. This could fund the salary of one developer at the rate of \$110/hr for three months during FY 2013. In addition, SBE indicates that additional support would be needed from the vendor (Quest) of its statewide voter registration system, VERIS, at a fee of approximately \$25,000 for FY 2013.

SBE indicates that there could also be some miscellaneous expenses incurred by the localities in FY 2013 and FY 2014 but those costs should be made up for with savings on printing and mailing and opportunity costs.

The following table summarizes the estimated costs.

	<b>FY 2013</b>	<b>FY 2014 and Beyond</b>
Peripheral Installation	\$700,000	
Annual Maintenance Costs		\$208,463
Project Management	\$176,800	
Integration	\$57,200	
VERIS Upgrades	\$25,000	
SBE and DMV Savings		(Approx. \$200,000)
<b><u>Total</u></b>	<b><u>\$959,000</u></b>	<b><u>&lt;\$10,000</u></b>

Federal grant funds from the Help America Vote Act (HAVA) can be used to fund the implementation in FY 2013 and any unexpected ongoing administrative costs that exceed savings in future fiscal years. After FY 2013, it is expected that the savings in printing and mailing costs for DMV and SBE will offset expenses. Currently, costs associated with voter registration activities are funded partly with federal HAVA dollars and partly with general fund dollars. Likewise, funding the expenses associated with this legislation will likely follow the current practice of mixing HAVA and general fund dollars for voter registration activities. SBE indicates that HAVA dollars are expected to be available for the next several years to fund any cost overruns that may exceed savings.

**9. Specific Agency or Political Subdivisions Affected:** SBE, DMV, and localities.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** N/A

**Date:** 2/10/2012