

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

**Bill #:** S0509-0 **Complete Date:** 03/08/11

**Chief Author:** LIMMER, WARREN

**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 (03/06/11)

Public Safety Dept (03/07/11)

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		32,471	2,813	649	1,476
Secretary Of State		32,471	2,813	649	1,476
Misc Special Revenue Fund		0	709	148	148
Public Safety Dept		0	709	148	148
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
General Fund		32,471	2,813	649	1,476
Secretary Of State		32,471	2,813	649	1,476
Misc Special Revenue Fund		0	709	148	148
Public Safety Dept		0	709	148	148
<b>Total Cost &lt;Savings&gt; to the State</b>		32,471	3,522	797	1,624

	<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: 03/08/11 Phone: 651-201-8026

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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		32,471	2,813	649	1,476
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
General Fund		32,471	2,813	649	1,476
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
General Fund		32,471	2,813	649	1,476
<b>Total Cost &lt;Savings&gt; to the State</b>		32,471	2,813	649	1,476

	<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**

SF 509 is a bill enacting various changes in election law.

SF 509 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 also requires that any person registering on election day must present one of the following pieces of identification:

- a Minnesota driver license or identification card containing the current address of the voter.
- a tribal identification card bearing the name, current address, signature, date of birth, a distinguishing number assigned to the voter and photograph of the voter;
- a Department of Public Safety receipt for a new, renewed or updated driver license or 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
  - a tribal identification card from a Federally recognized tribe
  - an identification card from a postsecondary institution, if that institution has sent a list of students to the county auditor
- 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.

Please note that while a voter may be allowed to register, they cannot actually vote, other than provisionally, unless they produce one of the documents listed in Article 1, section 4, a much narrower group of documents.

Article 1, section 2 provides that any person not currently possessing a driver license or state identification card may receive a state identification card at no charge regardless of the person's income, at any of the driver licensing facilities operated by the Division of Driver and Vehicle Services. [If this means Road Tests, there are no such facilities in the Twin Cities urban core and only one per county in the Twin Cities metro (except Dakota has two)]

Article 1, section 3 repeals existing Election Day Registration law defining what identification documents or methods can be used and substitutes the list in section 1.

Article 1, section 4 requires that a voter must, before being allowed to vote, present a:

- Minnesota driver license or Minnesota identification card stating the voter's current address in the precinct;
- receipt for a driver license or state identification card with the expired driver license or identification card that the voter previously held; or
- tribal identification card bearing the name, current address, signature, date of birth, a distinguishing number assigned to the voter, photograph of the voter and other items required to appear on the Minnesota driver license.

Article 1, sections 4 and 6 provide that if a voter cannot produce the required identification, 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, appears before the county auditor or municipal clerk and proves that they did appear as eligible in the statewide voter registration system, or the voter proves they were eligible to vote, and the voter presents the identification required by this bill to vote. The vote will only be counted if the person appears and presents identification 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 5 also requires that any person who is challenged, even if the election judges are satisfied, after the challenge process has been completed, 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 made other than by a challenger at the polling place, it cannot be withdrawn and the voter must vote provisionally.

Article 1, section 7 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.

Finally, Article 1, section 8 provides a blank appropriation for state-subsidized identification cards.

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, section 2 provides that all election rules promulgated by the secretary of state are invalid until enacted by the legislature and approved by the governor. This includes all rules promulgated in the past, as well as current and future rules.

Article 2, sections 3 and 4 require that unique identifying numbers assigned to voters are permanent and may not be changed or reassigned to another voter.

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 old law stated that they must attempt to keep such a record. It is now 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 provides that for voters who have requested that their information be withheld from the public information list for their own safety, that the name and address are to be omitted and replaced with the phrase "voter's name and address withheld by request" but the voting history, precinct, and city must be displayed on the list.

Article 2, section 9 deletes the exemption from entering information from election day voter registration applications and requires that they be entered within 42 days after the election.

Article 2, section 10 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 11 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 12, extends the retention period for rosters to 36 months after the election.

Article 2, section 13 extends the retention period for absentee ballot applications to 36 months after the election.

Article 2, section 14 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 business day as well as 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 15 deletes language that prohibited inspection of rosters and voter registration applications until information had been completely entered into the SVRS.

Article 2, section 16 adds the following categories to those prohibited from assisting a voter at the polling place – the voter’s court-appointed guardian or conservator, or any paid individual providing health care or health-related personal assistance to the voter.

Article 2, section 17 prohibits the counting of voter receipts as a method of reconciling votes in the polling place unless the receipt contains the name, voter identification number and signature of the voter to whom the receipt was issued. The section also requires that unless the voter receipt was created from an electronic roster, the election judges must instead count the number of signatures appearing on the polling place roster.

Article 2, section 18 reinstates the absence of the initials of the election judges on a ballot as the basis for a challenge in a recount.

Article 2, section 19 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 20 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 21 requires additional labeling for spoiled ballots and requires separate storage envelopes for those ballots.

Article 2, section 22 requires that summary statements must 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 23 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.

Article 2, section 24 requires that excess ballots be returned to the counting center.

Article 2, section 25 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 26, provides for the inspection of materials by the parties to a contest.

Article 2, section 27 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 28 repeals the use of the term incumbent next to the names of sitting judges.

Article 3, section 1, defines polling place roster to include electronic rosters.

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 and extends the retention schedule for rosters to 36 months.

Article 3, section 3, proposes a new section that requires the use of electronic rosters for precincts with more than 100 registered voters and requires either a secure connection to the statewide voter registration system (SVRS) or, upon certification that the live connection is not possible, connection to another computer in the precinct and must have a stored copy of voters for that precinct. The section also prescribes that an electronic roster must be preloaded with data from SVRS, must be networked so that all voting information be available statewide to all networked computers, must be able to provide a printed voter receipt that can be signed by the voter, must alert election judges if the person has already voted, is challenged, or is ineligible, must be able to take swiped input from a driver license or state ID card and match functions. The initial purchase costs of this equipment, and the

costs of implementing and maintaining the software must be paid for by the state, but the costs of subsequently maintaining or replacing equipment in the field are to be paid for by the county or municipality.

Article 3, section 4, provides that the secretary of state provide a separate secure electronic roster connection to each precinct served by a combined polling place.

Article 3, section 5, provides that each voter must sign the paper roster or a 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 a new chapter of law related to electronic roster technology.

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 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 designated election official to submit evidence to the secretary of state that the electronic roster connections in the official's jurisdiction are sufficiently secure and encrypted. Minimum standards for encryption are provided in the bill.

Article 3, section 12 requires an electronic roster system connection to contain sufficient bandwidth 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 a live election. Minimum documentation requirements and standards for the testing are provided.

Article 3, section 14 specifies the number of computers required for each precinct, based on the size of the precinct. Large precincts (those with 500 or more registered voters) would be required to have three computers to serve as the electronic roster; small precincts (those with fewer than 500 registered voters) would be required to have two computers, and an exception is provided for very small precincts (250 registered voters or less) where one computer would be permitted, with a paper backup. Standards are also provided for the county auditor or municipal clerk to set an alternate plan for allocating computers to precincts in the jurisdiction.

Article 3, section 15 specifies deadlines for submission of procedures and reports required by this article.

Article 3, section 16 allows a person who has signed a voter receipt to receive an "I Voted" sticker.

Article 3 is effective for elections held on or after June 1, 2012.

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 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 (all of which is recodified in this article as new chapter 204E), and repeals all existing administrative rules related to recounts as well as 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 elections held on or after that date.

### **Assumptions**

The costs incurred by this bill at the State level fall into the following categories:

Programming costs for the Statewide Voter Registration System and Election Registration Systems for the following proposed changes:

- To accommodate provisional voting
- To provide the SVRS data to electronic pollbook precincts
- To modify the public information list

According to the IT staff of the Office of the Secretary of State, a total of 8362.5 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.

Hardware costs include:

The provision of computers and peripherals for each precinct for electronic rosters. Because of the rigorous time 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.

Connectivity costs include:

The cost of providing secure connections as required in the electronic pollbook provisions of this bill. The connection must be sufficiently secure to prevent any voter from voting more than once and must also prevent access by unauthorized individuals.

Not all voting locations have telephone lines, much less wired Internet connections. In order to meet the speed requirements, dial-up connections are prohibitively slow. A broadband connection will be required. It is assumed that local government will pay the cost of wiring each polling place.

Year-round provision of the broadband capacity is recommended for a variety of reasons. Local and special elections occur in Minnesota and are covered by provisions in this bill throughout both years of the election cycle, not only at the state primary and general election. Technical staff have also recommended that there are risks inherent in turning the broadband capacity on and off because of reconfiguration necessary when changing the broadband capacity, and it is simply more reliable and secure to retain the capacity on a continuous basis.

Evaluation costs include:

The approval by OSS, prior to implementation, of each plan and procedure proposed by local election officials under the electronic pollbook provisions of this bill, including security and backup plans. There are approximately 2700 municipalities that operate polling places. It appears that each one will need to draft a plan to be reviewed

by the office of the secretary of state before each primary and general election. Plans must be submitted by the 60<sup>th</sup> day before the election. This law takes effect only a little more than 60 days prior to the state primary. It is unlikely many plans will be formulated prior to 120 days before the state primary. The reviews will need to occur by the 45<sup>th</sup> day before the election. If the plan is rejected the municipality has 15 days to cure the defects pointed out by the secretary of state. It will likely take an average of 2 hours to review, comment and re-review (if necessary) each plan, for each of 3235 precincts, 6470 hours or between three and four-staff-years, compressed into a 75 calendar day period. Additional staff with technical qualifications will be required to conduct this review.

Policy costs include:

The bill provides that all prior rules, as well as pending or subsequently adopted rules, are ineffective until enacted into law by the Legislature. Thus, from the day after final enactment until the adoption of rules by the Legislature, there would be no rules in effect. Also, there will be additional agency costs for the legislative session at which the existing rules are to be approved by the Legislature. It is highly unlikely that rules would be adopted into law in the same session in which this bill is passed. These costs will be based on staff time of at least one full-time professional for the entire session, who would spend 100% of their time on this task, as well as other staff who would assist this person.

There is also the cost to the Legislature for the time necessary to consider what would be the equivalent of an omnibus recodification of election law through the enactment of rules.

If the Legislature does not enact the already adopted rules, there is an additional cost to OSS and the Legislature of the consideration by the Legislature of either new rules promulgated under the Minnesota Administrative Procedure Act and then approved by the Legislature or new laws enacted by the Legislature to replace all the current election rules. If there must be an elections rulemaking process before presenting a rule for enactment into law, there will be additional costs. Elections rulemaking is generally controversial in this day and age, and thus would likely be a rulemaking after a hearing. The cost of a rulemaking with a hearing is somewhat larger than exempt or expedited rulemaking, or rulemaking without a hearing, and a reasonable estimate of this rulemaking can be found in the Minnesota Rulemaking Manual, at:

<http://www.health.state.mn.us/rules/manual/cost-inf.doc>

This document estimates that the total cost of a large rule is \$286,845. If the existing rules are not enacted into law by the Legislature, an extremely large rule process will be required that will probably exceed the estimated cost for a merely large rule by 50%, and in addition the staff work with the Legislature will need to be repeated.

Finally, it is not clear, if existing rules are not enacted into law by the Legislature, whether there would even be sufficient time to adopt rules under Minnesota Statutes, chapter 14 and have them presented to the Legislature for approval prior to the adjournment of the Legislature in 2012, in which case there would be no rules in place for the 2012 election.

Training and education costs include:

Voter education program to remind voters to bring proper photo identification with them to the polls, as has been required in other states to insure that the law as implemented is constitutional. This would include broadcast media and print advertisements, as well as a Web and social media presence as well as direct mail to registered voters and addresses of other eligible voters. The voter education program would need to reach both groups that did not already have the required identification, to educate them on how to obtain those documents, as well as the larger group of voters to remind them to bring their identification to the polls on election day.

Increased staffing at voter information telephone banks due to increased number of questions from voters on how to comply with photo identification requirements.

Revision and expansion of existing manuals and printed materials for election officials, other educational materials used for training election officials on new requirements and on how to train their employees on these new requirements as well as a video used to train election judges who will implement these changes.

Maintenance costs include:

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.

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

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

#### **Expenditures** are:

##### Hardware:

There are 3235 precincts in Minnesota that are not mail ballot precincts and that have more than 100 registered voters. The state will fund two computers per polling place, or 6470 computers, which with the required specifications, will cost \$2500 per computer, for a total of \$16,175,000, plus sales tax at 7.625% of 1,233,344, for a total of:

\$ 17,408,344 (FY12)

There will need to be one printer of voter receipts for each work station. In order to handle the high number of voters in Minnesota elections, a printer that does not need a warm-up time between receipts is necessary. The average cost of that printer will be \$300. Alternatively, a laser printer would cost approximately the same amount. For the 6470 machines for which the state will pay, the cost of printers would be \$1,941,000, plus sales tax at 7.625% of \$148,001, for a total of:

\$ 2,089,001 (FY12)

There would also need to be a regular laser printer in each polling place to print voter registration applications for election day registrants. This would be 3235 x \$300, or \$970,500, plus sales tax at 7.625% of \$74,001, for a total of:

\$ 1,045,000 (FY12)

In addition, there would be a need to provide a card reader, various cables and other peripherals, and an SQL software license, and carrying cases for the computers themselves and the other equipment required for this function, for an additional cost of \$1493 per station. For the 6470 stations required to be supplied by the State, the cost of these items is \$9,659,710 plus sales tax at 7.625% of \$736,553, for a total of :

\$ 10,396,263 (FY12)

Counties would have to bear a variety of 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 Rosters and Synchronization
- Election Day Registration
- Absentee Ballots
- Mail Ballots
- Posting Voting History
- Postal Verification Cards
- Provisional Ballots Module and Look-up Function
- Reports
- Public Information List

The programming and software for the polling place workstations are:

Desktop Application

Pollfinder on Desktop

These changes will require 8362.5 hours of programming work, at \$80/hour, for a total of:

\$669,000 (FY12)

Connectivity Costs:

Hardware and software connectivity costs 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 (\$181,000), for a total of \$253,000 plus sales tax of \$19,291 for a total of:

\$272,291 (FY12)

Evaluation of Plan costs:

(6470 hours) x \$80/hour =

\$517,600 (FY12)

Policy costs:

5 months staff time for Legislative ratification of rules (854 hours at \$50/hour =

\$42,700 (FY12)

(NOTE: If the existing rules were rejected by the Legislature and had to be repromulgated, an additional \$473,000 would be required (the cost of a "large rule" - \$286,845 - times 1.5, as this would be a "very large rule," plus the \$42,700 cost of another session's professional staff time)

Training and education costs:

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:

\$5,500 (FY12)

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

\$25,000 (FY12)

TOTAL FY2012

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.

**FY2012 General Fund State Costs**

**\$32,470,661**

**FY 2013**

Public voter training and education costs for the 2012 general election will occur during FY2013. This will include: Video advertisements and public service announcements; radio and other broadcast media; mailings to voters; print advertisements; and Internet-based information.

Direct mail postcard to each registered voter and to each address in the state where eligible voters live will have a printing cost of approximately \$100,000 and a postage and mailing cost of approximately \$1,050,000, at \$.24 postage and a 5% addressing and handling cost, based on four million persons over the age of 18 in the state.

Television advertisements will require \$750,000, which will buy, for example a package of 10,000 selected "niche" cable spots for \$100,000, 300 mass audience cable spots for \$450,000 and \$200,000 for broadcast television spots.

Radio advertisements throughout the state on various formats - \$350,000.

Print media advertisements will cost \$300,000 for advertising.

Internet based voter education - \$150,000 for development and insertions.

The total for public voter education is: \$2,700,000 (FY13).

Other FY13 costs:

Application maintenance = Cost of original development (\$669,000) x 15% =	<u>\$100,350</u> (FY13)
Software licensing = \$1,341 per year =	<u>\$1,341</u> (FY13)
Broadband Fees = \$950 per month x 12 months = \$11,400 per year =	<u>\$11,400</u> (FY13)

**FY2013 General Fund State Costs \$2,813,000**

**FY2014**

Application maintenance = Cost of original development (\$669,000) x 16% =	<u>\$107,040</u> (FY14)
Software licensing = \$1,341 per year =	<u>\$1,341</u> (FY14)
Broadband Fees = \$950 per month x 12 months = \$11,400 per year =	<u>\$11,400</u> (FY14)
Evaluation costs will recur in each even numbered Fiscal Year =	<u>\$529,440</u> (FY14)

**FY2014 General Fund State Costs \$649,000**

**FY2015**

Voter Education Program Costs = FY13 Voter Education Costs x 1/2 =	<u>\$1,350,000</u> (FY14)
2015 Application maintenance = Cost of original development (\$669,000) x 17% =	<u>\$113,730</u> (FY14)
Software licensing = \$1,341 per year =	<u>\$1,341</u> (FY14)
Broadband Fees = \$950 per month x 12 months = \$11,400 per year =	<u>\$11,400</u> (FY14)

**FY2015 General Fund State Cost \$1,476,000**

**TOTAL STATE COSTS \$37,409,000**

**Long Term Fiscal Impact**

The costs of providing state 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 to the SVRS for electronic pollbook operation will occur at each election.

The 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 \$6,690 per year until FY2018, so, for example, the FY 2016 application maintenance costs will be \$119,820.

The cost of evaluating security and backup plans for each precinct and polling place under Article 3, section 15, costing \$529,440 per election, adjusted for inflation, will occur in each even numbered fiscal year.

There will be additional voter education costs in each subsequent state general election year to remind voters of the need to bring proper identification to the polls and to obtain that identification if the voter does not already possess those documents, but those costs will diminish in future general election years by an order of magnitude over the following four election cycles to reach \$270,000 in FY 21.

### **Local Government Costs**

Additional machines will still likely be necessary in many precincts, over and above the two that they are entitled to from state-paid work stations. We estimate that at least 5,718 additional workstation will be required, for a county cost of at least \$24,260,583 plus sales tax.

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

There is an additional county cost for establishing secure Internet connection at each polling place that does not already have such a connection. County polling place costs for the workstations, including the cost of internet connectivity to most (3000 of 3309) polling places, which we calculate as at least \$150 per polling place, or \$450,000.

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.

Municipalities operating polling places will hire additional election judges to administer the new photo ID, election day registration 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.

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.

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 some decrease in the amounts spent by counties on posting voting history and entering election day registrations.

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

With respect to the implementation of electronic rosters, local governments are specifically made responsible for the maintenance and replacement of equipment initially paid for by the State under this bill.

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 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: 03/04/11 Phone: 651-201-1361

### **EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KATHARINE BARONDEAU  
Date: 03/06/11 Phone: 651-201-8026

**Fiscal Note – 2011-12 Session**

**Bill #:** S0509-0 **Complete Date:** 03/07/11

**Chief Author:** LIMMER, WARREN

**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>					
Misc Special Revenue Fund		0	709	148	148
<b>Less Agency Can Absorb</b>					
-- No Impact --					
<b>Net Expenditures</b>					
Misc Special Revenue Fund		0	709	148	148
<b>Revenues</b>					
-- No Impact --					
<b>Net Cost &lt;Savings&gt;</b>					
Misc Special Revenue Fund		0	709	148	148
<b>Total Cost &lt;Savings&gt; to the State</b>		0	709	148	148

	<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**

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 existing ID card design would be used for the state subsidized ID cards.

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 only offices operated by DVS would accept the application for a state subsidized ID card and would not be able to be applied for at the 125 Driver's License Agent Offices.

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 10,000 residents would apply for the state-subsidized ID card in June 2012.

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

Assume 50% (72,000) of the 144,000 residents would be eligible for a state-subsidized ID card and would apply for the subsidized ID card in FY2013.

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

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

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.

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

Expenditures: State-subsidized ID card expenses FY2013  $72,000 * \$9.85 = \$709,200$ ; subsequent years  $15,000 * \$9.85 = \$147,750$ .

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.

## **Local Government Costs**

## **References/Sources**

Agency Contact Name: Pat McCormack 651 201-7580 Tom Nash 201-7582

FN Coord Signature: FRANK AHRENS

Date: 03/07/11 Phone: 651-201-7050

**EBO Comments**

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KEITH BOGUT

Date: 03/07/11 Phone: 651-201-8034