Consolidated Fiscal Note – 2011-12 Session

Bill #: H0210-3A   **Complete Date:** 04/07/11

Chief Author: KIFFMEYER, MARY

Title: VOTER PICTURE ID REQUIRE

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

Agencies: Secretary Of State (04/07/11)   Administration Dept (04/07/11)
Public Safety Dept (04/06/11)

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

Dollars (in thousands)	FY11	FY12	FY13	FY14	FY15
Net Expenditures					
General Fund		2,095	4,102	968	2,247
Secretary Of State		1,887	693	968	897
Administration Dept		208	2,700		1,350
Public Safety Dept			709		
Misc Special Revenue Fund		45		148	148
Public Safety Dept		45		148	148
Revenues					
-- No Impact --					
Net Cost <Savings>					
General Fund		2,095	4,102	968	2,247
Secretary Of State		1,887	693	968	897
Administration Dept		208	2,700		1,350
Public Safety Dept			709		
Misc Special Revenue Fund		45		148	148
Public Safety Dept		45		148	148
Total Cost <Savings> to the State		2,140	4,102	1,116	2,395

	FY11	FY12	FY13	FY14	FY15
Full Time Equivalents					
-- No Impact --					
Total FTE					

Consolidated EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KATHARINE BARONDEAU
Date: 04/07/11Phone: 651-201-8026

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Agency Name: Secretary Of State

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Dollars (in thousands)	FY11	FY12	FY13	FY14	FY15
Expenditures					
General Fund		1,887	693	968	897
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
General Fund		1,887	693	968	897
Revenues					
-- No Impact --					
Net Cost <Savings>					
General Fund		1,887	693	968	897
Total Cost <Savings> to the State		1,887	693	968	897

	FY11	FY12	FY13	FY14	FY15
Full Time Equivalents					
-- No Impact --					
Total FTE					

Bill Description
HF210-3A 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 the voter identification card private data.

Article 1, section 2 provides that any person not currently possessing a driver license or state identification card may receive a voter 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.

Article 1, section 3 provides for the expiration of voter identification cards for those persons under the age of 65.

Article 1, section 4 provides that voter identification cards must be impervious to alteration.

Article 1 section 5 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 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 receipt for a new, renewed or updated driver license or 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
    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.

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, they cannot actually vote unless they produce one of the documents listed in section 9, a much narrower group of documents.

Article 1, section 6 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 7 repeals existing Election Day Registration law defining what identification documents or methods can be used and substitutes the list in section 5.

Article 1, section 8, 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 9 provides that for a voter to cast a vote guaranteed to be counted on election day, they must present a 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 10 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, section 9 and 11 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, 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 12 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 13 through 19 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 20 provides for the Department of Administration to contract for a statewide public education campaign related to voter ID requirements. No funds are appropriated for that contract.

Article 1, section 21 provides a blank appropriation for state-subsidized voter identification cards.

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 provide on its Web site information for program participants on voting options, including voting pursuant to chapter 5B.

Article 2, section 2 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 3 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 adopted on or after the day following final enactment.

Article 2, sections 4 and 5 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 13.

Article 2, section 6 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 7 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 8 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 9 extends the retention period for voter registration applications from 22 to 36 months.

Article 2, section 10 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 11 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 12 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 13 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 14 extends the retention period for rosters to 36 months after the election.

Article 2, section 15 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 16 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 17 extends the retention period for absentee ballot applications to 36 months after the election.

Article 2, section 18 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 19 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 20 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 21 reinstates the absence of the initials of the election judges on a ballot as a challenge in a recount.

Article 2, section 22 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 23 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 24 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 25 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 26 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 27 requires that excess and unused ballots be returned to the counting center.

Article 2, section 28 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 29, provides for the inspection of materials by the parties to a contest.

Article 2, section 30 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 31 provides that all battered women receiving services from a shelter facility must also receive an application for the address confidentiality program under chapter 5B (Safe at Home) and information about voting pursuant to that chapter from the facility administrator who is to obtain that material from the Web site of the office of the secretary of state.

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 electronic rosters for precincts, and if electronic rosters are used, sections 8 through 16 provide various standards and requirements for their use. Even if an electronic roster is not used, however, standards 1,2,3 and 6 from subdivision 2 must still be met for election day registrations. This means that the paper roster used must be preloaded with both the data on registered voters as well as the ineligible voter list. [NOTE: It appears from Article 2, section 13 that the paper ineligible list need only list residents of the county in which the precinct is located]; all election day registrations must be able to be processed in a manner that permits the registration to be immediately accessible at all computers at all connected precincts in the state, must provide a printed voter receipt in all precincts for election day registrations; and must perform all other functions required by law. According to testimony in the other body, participation would be at the local municipality's choice and at their own expense.

Article 3, section 4, does not appear to change current law.

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 designated local 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 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 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 and report to the Legislature by December 1, 2011, and will be staffed by the Legislative Coordinating Commission.

Article 3, section 16 is a blank appropriation to the secretary of state from the HAVA account for the purchase of software and equipment.

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 conducing 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), including 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 half the precincts 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 15 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 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, this 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 secure connections is 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 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.

Security

Local 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 connections with precincts using electronic rosters, and that between review and testing, one staff-hour will be needed for each precinct.

If half of the 4136 precincts use electronic rosters then there will be 2068 precincts, and thus 2068 staff hours, the equivalent of a staff-year compressed into a relatively short period. Additional staff with technical qualifications will be required to conduct this review.

Policy:

The bill provides that all rules adopted after the date of final enactment of this bill, are ineffective until enacted into law by the Legislature. This means that there will be additional agency costs for the legislative session at which rules are to be approved by the Legislature. Election rules are generally promulgated in relatively large proposed rules covering many matters. These costs will be based on staff time 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 requires rulemaking 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) and that rulemaking must be completed well before the

end of the 2012 legislative session, for enactment by the Legislature and approval by the Governor. This schedule will result in greater costs than a normal rulemaking of the same size, making the cost more the equivalent of a large rule, which, according to the Minnesota Rulemaking Manual (2010), page 234, at http://www.health.state.mn.us/rules/manual/manual2010.pdf, would be $286,845.

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.

Safe at Home:

The bill requires that each person served by a shelter facility receive an application to the Safe at Home program and information on voting absentee through the Safe at Home program. According to information from the Department of Public Safety Office of Justice Programs, which tracks that information, 38,900 persons were served last year, of whom 26,200 were adults. Safe at Home is currently recommended to those for whom it would be a good fit. If an application is provided to everyone served by a shelter facility, enrollment increases would occur at a higher rate than historical trends. The additional costs from serving more Minnesotans would be felt at all levels of the program and could not be absorbed with current resources.

Safe at Home is currently in its 4th year of operation and has 702 participants. If it follows the pattern of Washington State's program, which is the oldest in the country, it is expected to grow until it reaches between 3,500 and 5,000 participants. Please note that Safe at Home is an address confidentiality program which is not simply or even primarily about voting. It is a critical tool for people in certain situations, but is not a good fit for most people – not even for most battered women. Nevertheless if all adults served by shelters are provided with applications, the Office of the Secretary of State estimates that 10% of the adults served by shelter facilities would apply for and enroll in the Safe at Home program. This would result in a tenfold leap in enrollment in the program each year, and the costs would increase accordingly and that growth would, in fact be compounded, year over year, after the first year. The result would be a huge increase in the number of applications to and withdrawals from the program, in the amount of mail forwarded to the additional program participants, amount of time spent in processing ballots, in problem-solving and consulting with participants, in outreach to public and private entities with whom participants interact to ensure they understand the program, and in coordinating implementation of this section with all shelter facilities.

Currently applicants to the program have to meet face-to-face with victim advocates in the community who are trained to explain how Safe at Home works, help potential applicants decide whether it would be a good fit for them, and help them fill out the application. There are more than 200 application assistants around the state, but not every battered women's shelter that receives public funding has chosen to have their employees serve this role. The bill would seem to require every shelter have the facility administrator trained as an application assistants, which will require a substantial increase in the resources currently dedicated to providing initial and refresher trainings for application assistants and for consulting with them as they enroll people in the program.

It is estimated that an additional four full-time positions would be required to handle this additional amount of work, along with a fourfold increase in many overhead and postage costs.

In addition, because applications and voting materials are not publicly distributed, a new, secure Web site available only to the shelter facility administrators and Application Assistants will need to be developed.

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 Rosters and Synchronization
Election Day Registration
Absentee Ballots
Mail Ballots
Posting Voting History
Postal Verification Cards
Provisional Ballot Module and Voter-Look-up Function
Reports
Public Information List
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 9563 hours of programming work, at $80/hour, for a total of

$765,000 (FY12)

Connectivity:

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)

Review and Testing of Security Encryption:

2068 precincts x 1 hours per precinct = 2068 hours x $80/hour = $165,440 (FY12)

Rules and Policy:

Cost of rulemaking for a large rule: $286,845

5 months staff time for Legislative ratification of rules x 40% (854 hours x
.4 x $50/hour = $17,080

| | Total = | $304,000 (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

$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)

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)

Safe at Home:

An additional four positions x $52,500 (average) per position in
salaries and benefits = $210,000
Increased Postage = $ 93,555
Secure Web site development: 40 hours @ $80/hour = $ 3,200
Other Increases, including space, conference calls, postal scale,
copying, mileage, parking, telecommunications and supplies = $ 35,317
Total Safe at Home Increase $342,072 (FY12)

TOTAL FY2012 General Fund   **$1,887,000** (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 46th 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% = $114,750 (FY13)
Software licensing = $1,341 per year = $1,341 (FY13)
Broadband Fees = $950 per month x 12 months = $11,400 per year = $11,400 (FY13)
Safe at Home Increase = $565,844 (FY13)

FY2013 General Fund State Costs   **$693,000**

FY2014

Application maintenance = Cost of original development ($765,000) x 16% = $122,400 (FY14)
Software licensing = $1,341 per year = $1,341 (FY14)
Broadband Fees = $950 per month x 12 months = $11,400 per year = $11,400 (FY14)
Security review of encryption methodology will
        recur in each even numbered Fiscal Year = $165,440 (FY14)
Safe at Home Increase = $667,513 (FY14)
FY2014 General Fund State Costs $968,000

FY2015

2015 Application maintenance = Cost of original development
               ($765,000) x 17% = $130,050 (FY15)
Software licensing = $1,341 per year = $1,341 (FY15) Broadband
Fees = $950 per month x 12 months = $11,400 per year = $11,400 (FY15)
Safe at Home Increase = $754,871 (FY15)

                      FY2015 General Fund State Costs   **$897,000**

                      TOTAL STATE COSTS   **$4,445,000**

Long Term Fiscal Impact

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 to the SVRS for electronic pollbook operation 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 and testing encryption methodology for each precinct and polling place under Article 3, section 11, costing $165,440 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.

There is an additional county or municipal cost for establishing secure Internet connection at each precinct that does not already have such a connection. County or city costs for internet connectivity to most precincts, will be at least $150 per precinct.

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), must contain the ineligible voter list for the county in which the precinct is located, must allow for immediate accessibility of voting information by all connected precincts in the state, must provide for a printed voter receipt with various specific requirements, and must perform all other functions required by law, with respect to election day registrations.

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 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.

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

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EBO Comments

I have reviewed this Fiscal Note for accuracy and content.

EBO Signature: KATHARINE BARONDEAU
Date: 04/07/11 Phone: 651-201-8026

Fiscal Note – 2011-12 Session

Bill #: H0210-3A **Complete Date:** 04/07/11

Chief Author: KIFFMEYER, MARY

Title: VOTER PICTURE ID REQUIRE

Fiscal Impact	Yes	No
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)	FY11	FY12	FY13	FY14	FY15
Expenditures					
General Fund		208	2,700		1,350
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
General Fund		208	2,700		1,350
Revenues					
-- No Impact --					
Net Cost <Savings>					
General Fund		208	2,700		1,350
Total Cost <Savings> to the State		208	2,700		1,350

	FY11	FY12	FY13	FY14	FY15
Full Time Equivalents					
-- No Impact --					
Total FTE					

Bill Description
HF210-3A 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 20 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 20 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

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EBO Comments

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Fiscal Note – 2011-12 Session

Bill #: H0210-3A   **Complete Date:** 04/06/11

Chief Author: KIFFMEYER, MARY

Title: VOTER PICTURE ID REQUIRE

Fiscal Impact	Yes	No
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)	FY11	FY12	FY13	FY14	FY15
Expenditures					
General Fund			709		
Misc Special Revenue Fund		45		148	148
Less Agency Can Absorb					
-- No Impact --					
Net Expenditures					
General Fund			709		
Misc Special Revenue Fund		45		148	148
Revenues					
-- No Impact --					
Net Cost <Savings>					
General Fund			709		
Misc Special Revenue Fund		45		148	148
Total Cost <Savings> to the State		45	709	148	148

	FY11	FY12	FY13	FY14	FY15
Full Time Equivalents					
-- No Impact --					
Total FTE					

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 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 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 state subsidized appropriation would be from the General Fund.
Assume DVS would be subsidized for the full cost of the card ($9.85 per card).
Assume the current card vendor's estimate of $45,000 for programming changes remains constant.
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 General Fund FY2013 72,000 * $9.85 = $709,200. Subsequent years 15,000 * $9.85 = $147,750. Special Revenue Driver Services Operating Account (DSOA). FY2012 card vendor programming cost $45,000 (DSOA).
Cost to produce ID card is $9.85
- Production and mailing $1.58
- Application form $0.04
- 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

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