

**HF607 - 0 - Automatic Voter Registration System Provided**

Chief Author: **Kristin Bahner**  
 Committee: **Transportation Finance and Policy**  
 Date Completed: **2/23/2021 3:15:59 PM**  
 Lead Agency: **Secretary of State**  
 Other Agencies:  
     Human Services Dept      Public Safety Dept

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

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Public Safety Dept</b>						
Restrict Misc. Special Revenue	-	19	229	229	229	229
<b>Secretary of State</b>						
General Fund	-	237	-	-	-	-
<b>State Total</b>						
Restrict Misc. Special Revenue	-	19	229	229	229	229
General Fund	-	237	-	-	-	-
<b>Total</b>	<b>-</b>	<b>256</b>	<b>229</b>	<b>229</b>	<b>229</b>	<b>229</b>
<b>Biennial Total</b>			<b>485</b>			<b>458</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Public Safety Dept</b>					
Restrict Misc. Special Revenue	-	-	-	-	-
<b>Secretary of State</b>					
General Fund	-	1.3	-	-	-
<b>Total</b>	<b>-</b>	<b>1.3</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Lead LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

This bill requires Department of Human Services (DHS) to share applicant and enrollee data for purposes not currently permitted in federal law. DHS will not implement requirements of the bill and therefore there is no fiscal impact on this fiscal note. Please see the DHS portion of this fiscal note for additional information. Department of Public Safety (DPS) provided an estimate that includes significant fiscal impacts in years not shown on the State Cost (Savings) Table. Please review the Long Term Fiscal Considerations section of the DPS fiscal note for an explanation of the potential fiscal impact.

**LBO Signature:** Adam Blom      **Date:** 2/23/2021 3:15:59 PM  
**Phone:** 651-284-6542      **Email:** adam.blom@lbo.leg.mn



**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>	<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Public Safety Dept</b>					
Restrict Misc. Special Revenue	-	19	229	229	229
<b>Secretary of State</b>					
General Fund	-	237	-	-	-
<b>Total</b>	<b>-</b>	<b>256</b>	<b>229</b>	<b>229</b>	<b>229</b>
<b>Biennial Total</b>			<b>485</b>		<b>458</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
<b>Public Safety Dept</b>					
Restrict Misc. Special Revenue					
Expenditures	-	83	229	229	229
Absorbed Costs	-	(64)	-	-	-
<b>Secretary of State</b>					
General Fund	-	237	-	-	-
<b>Total</b>	<b>-</b>	<b>256</b>	<b>229</b>	<b>229</b>	<b>229</b>
<b>Biennial Total</b>			<b>485</b>		<b>458</b>
<b>2 - Revenues, Transfers In*</b>					
<b>Public Safety Dept</b>					
Restrict Misc. Special Revenue	-	-	-	-	-
<b>Secretary of State</b>					
General Fund	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Biennial Total</b>			<b>-</b>		<b>-</b>

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 Agency: **Secretary of State**

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

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	237	-	-	-	-
<b>Total</b>	-	<b>237</b>	-	-	-	-
<b>Biennial Total</b>			<b>237</b>			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	1.3	-	-	-
<b>Total</b>	-	<b>1.3</b>	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Adam Blom      **Date:** 2/11/2021 11:03:42 AM  
**Phone:** 651-284-6542      **Email:** adam.blom@lbo.leg.mn

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		Biennium			Biennium	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
General Fund	-	237	-	-	-	-
<b>Total</b>		-	237	-	-	-
<b>Biennial Total</b>		237			-	-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
General Fund	-	237	-	-	-	-
<b>Total</b>		-	237	-	-	-
<b>Biennial Total</b>		237			-	-
<b>2 - Revenues, Transfers In*</b>						
General Fund	-	-	-	-	-	-
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>		-			-	-

**Bill Description**

The provisions in this bill are identical to the provisions on this subject found in HF9, introduced earlier in the current session. They provide for automatic voter registration (with the option to opt out) upon the application of a person eligible to vote for:

- driver licenses, instructional (learner’s) permits, state identification cards;
  
- medical assistance or Minnesota Care; and
  
- any benefits or services from participating state agencies.

**Assumptions**

It is unknown whether, or how many, additional agencies would participate in automatic voter registration the future, when they would choose to participate, or the compatibility of their systems with those of the Office of the Secretary of State (OSS).

Section 2, subd. 7, provides rulemaking authority to OSS with respect to the notice to voters who have been automatically registered, informing them of the ability to decline the registration. OSS regularly conducts rulemaking, so these costs can be included in the standard costs OSS would already incur in the periodic rulemaking process.

While the bill is effective July 1, 2021, the computer programming required to implement automatic voter registration function as defined in this bill is unlikely to have been completed on that date.

**Expenditure and/or Revenue Formula**

**Automatic Voter Registration Programming**

ED Business Analysis (640 hours)  
 OSS IT (1500 hours)  
 QA (650 hours)  
 Total Hours: 2790 hours  
 2790 hours @ \$85/hour = \$237,150

(FY22)

**\$237,150**

**Long-Term Fiscal Considerations**

Depending upon whether agencies elect in the future to participate in automatic voter registration pursuant to this bill, how many agencies so elect, and when they wish to implement automatic voter registration, as well as the compatibility of their computing systems with OSS, there would be long-term fiscal impacts, but those impacts cannot be assessed accurately at this time.

**Local Fiscal Impact**

Depending on the number of registrations, there may be additional voter registrations for local governments to process but no new or additional methods or procedures are required of those jurisdictions, and many of those registration applications might have been submitted by eligible voters through other means less efficient than the computerized system provided in this bill. In addition, there may be additional work required depending on the number of individuals who request their registration be inactivated. Any costs associated with this potential additional work is too speculative to estimate at this time.

**References/Sources**

Bibi Black 651-201-1326

I have reviewed the content of this fiscal note and believe it is a reasonable estimate of the expenditures and revenues associated with this proposed legislation.

If Information Technology costs are included, my agency's Chief Information Officer has reviewed the estimate.

**Agency Contact:** Julie Strother, 651-201-1342

**Agency Fiscal Note Coordinator Signature:** Juin Charnell

**Date:** 2/11/2021 7:52:06 AM

**Phone:** 651-201-6870

**Email:** juin.charnell@state.mn.us

**Fiscal Note**

**2021-2022 Legislative Session**

**HF607 - 0 - Automatic Voter Registration System Provided**

Chief Author: **Kristin Bahner**  
 Committee: **Transportation Finance and Policy**  
 Date Completed: **2/23/2021 3:15:59 PM**  
 Agency: **Human Services Dept**

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

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

<b>State Cost (Savings)</b>	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>	-	-	-	-	-	-
<b>Biennial Total</b>			-			-

<b>Full Time Equivalent Positions (FTE)</b>	Biennium			Biennium		
		FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>	-	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

This bill requires DHS to share applicant and enrollee data for purposes not currently permitted in federal law. DHS will not implement requirements of the bill and therefore there is no fiscal impact on this fiscal note.

**LBO Signature:** Steve McDaniel    **Date:** 2/23/2021 1:20:02 PM  
**Phone:** 651-284-6437    **Email:** steve.mcdaniel@lbo.leg.mn

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands		FY2021	FY2022	FY2023	FY2024	FY2025
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-
<b>2 - Revenues, Transfers In*</b>						
<b>Total</b>		-	-	-	-	-
<b>Biennial Total</b>				-		-

**Bill Description**

This bill requires that data from initial or renewal applications for Medical Assistance (MA) or MinnesotaCare be used to register individuals to vote if the application otherwise requires documentation of citizenship. This bill requires DHS to ensure applications may also serve as voter registration application and that DHS transmit the information to the Secretary of State so that the individual can be registered to vote if it is deemed they are an eligible voter.

**Assumptions**

Medical Assistance, Minnesota's Medicaid program, is subject to many federal laws and regulations. 42 U.S.C. 1396a(a)(7) requires states to institute safeguards that restrict the use or disclosure of information of applicants or enrollees except for the purposes of administering Medicaid and coordination with the federal school lunch program. This bill requires DHS to share applicant and enrollee data for purposes not currently permitted in federal law. For this reason DHS does not believe that it is allowable to comply with the statutory changes contemplated in this bill and therefore assumes no costs for implementing this bill as the agency assumes no action will be taken.

**Expenditure and/or Revenue Formula**

**Long-Term Fiscal Considerations**

**Local Fiscal Impact**

**References/Sources**

42 U.S.C. 1396a(a)(7)

**Agency Contact:** Elyse Bailey, 651-431-2932

**Agency Fiscal Note Coordinator Signature:** Elyse Bailey

**Phone:** 651-431-2932

**Date:** 2/23/2021 8:47:24 AM

**Email:** elyse.bailey@state.mn.us



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Chief Author: **Kristin Bahner**  
 Committee: **Transportation Finance and Policy**  
 Date Completed: **2/23/2021 3:15:59 PM**  
 Agency: **Public Safety Dept**

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

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2021	FY2022	FY2023	FY2024	FY2025
Restrict Misc. Special Revenue	-	19	229	229	229	229
<b>Total</b>	<b>-</b>	<b>19</b>	<b>229</b>	<b>229</b>	<b>229</b>	<b>229</b>
<b>Biennial Total</b>			<b>248</b>			<b>458</b>

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2021	FY2022	FY2023	FY2024	FY2025
Restrict Misc. Special Revenue	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

DPS provided an estimate that includes significant fiscal impacts in years not shown on the State Cost (Savings) Table. Please review the Long Term Fiscal Considerations section of the fiscal note for an explanation of the potential fiscal impact.

**LBO Signature:** Laura Cecko    **Date:** 2/12/2021 3:57:35 PM  
**Phone:** 651-284-6543    **Email:** laura.cecko@lbo.leg.mn

**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>			<b>Biennium</b>	
Dollars in Thousands		<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>	<b>FY2024</b>	<b>FY2025</b>
Restrict Misc. Special Revenue	-	19	229	229	229	229
<b>Total</b>	<b>-</b>	<b>19</b>	<b>229</b>	<b>229</b>	<b>229</b>	<b>229</b>
	<b>Biennial Total</b>		<b>248</b>			<b>458</b>
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>						
Restrict Misc. Special Revenue						
Expenditures	-	83	229	229	229	229
Absorbed Costs	-	(64)	-	-	-	-
<b>Total</b>	<b>-</b>	<b>19</b>	<b>229</b>	<b>229</b>	<b>229</b>	<b>229</b>
	<b>Biennial Total</b>		<b>248</b>			<b>458</b>
<b>2 - Revenues, Transfers In*</b>						
Restrict Misc. Special Revenue	-	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>Biennial Total</b>		<b>-</b>			<b>-</b>

**Bill Description**

Modification to the Help America Vote Act, modifying provisions related to voter registration. Modifying prescribed formats for voter registration application intake, requiring all license, Minnesota identification cards, and instruction permits to be automatic voter registration forms. Sets new parameters for automatic voter registration on a license application, as well as required language prescribed by the Secretary of State (SOS).

**Assumptions**

Article 1, Section 1

Assume any applicant information received from a driver’s license, identification card, or learners permit is transferred to the SOS based on SOS eligibility and is protected by private data laws.

Article 1, Section 2

Assume that applicants for a new or renewal of a Minnesota license, ID card, or instruction permit that is providing proof of citizenship at the time of application will be automatically registered to vote. Assume any alternative addresses will disqualify the individual from being automatically registered.

Assume that the department will need to send notification to all automatically registered applicants of their option to decline automatic registration. As of February 2, 2021 Minnesota currently has 3,627,152 non-compliant REAL ID holders who are 17 years of age or older. 41,768 of these individuals are not eligible to vote due to only having lawful status in the country leaving 3,585,384 individuals potentially eligible for automatic voter registration over the next 4 years.

Assume half of these people will upgrade to a REAL ID compliant card (1,792,692) over 4 years and provide proof of citizenship, which means, assuming even split amongst the 4 years (FY22-FY25), about 448,173 individuals each year will need a letter notifying them to opt out of automatic voter registration.

Assume annual postage cost will be \$228,568 (448,173 letters x \$0.51 postage = \$228,568) annually for opt out letters.

Assume all other individuals who do not qualify will be provided with information on voter registration eligibility and

requirements. Assume that this notification will be in the form of posters displayed at license offices with language provided by SOS and in the form of links on the department's website with link information back to SOS information on voting requirements and eligibility. Assume the cost to produce 300 posters would be \$345, but will be absorbed by the department as part of the agencies normal job duties.

Assume any duplicate applications or address changes with no evidence of citizenship are excluded from automatic voter registration.

Assume information on voter registration eligibility and requirements language will be provided by the SOS to ensure consistency across the different state agencies engaged in the Help America Vote Act.

Assume the department will send on a monthly basis to SOS total numbers for qualifying for voter registration and those that were actually transmitted to SOS.

Assume the department will need programming completed to capture citizenship information during the application process, eligibility determination, letter notification of opportunity to decline automatic voter registration, and monthly reporting to SOS. Assume that 320 programming hours will be needed to implement automatic voter registration and that total programming cost is \$64,000 (\$200 per hour x 320 hours = \$64,000). Assume this cost will be absorbed by the DVS Technology Account.

Assume the department must submit to SOS a monthly report of how many applicants meet the voter registration eligibility requirements compared to how many were transmitted to SOS.

Assume that necessary programming must be implemented no later than June 1, 2022.

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

#### **FY 2022 Expenditures**

##### **Restricted Misc. Special Revenue Fund DVS Technology Account**

One-time absorbed programming cost (\$200 per hour x 320 hours) = \$64,000

##### **Restricted Misc. Special Revenue Fund Driver Services Operating Account**

Postage cost (1 month of FY22 = \$228,568/12) = \$19,047

Total Special Revenue Expenditures FY 2022 = \$83,047

#### **FY 2023 and beyond Expenditures**

##### **Restricted Misc. Special Revenue Fund Driver Services Operating Account**

Annual Postage costs = \$228,568

### **Long-Term Fiscal Considerations**

As Minnesotans ramp up conversion to a REAL ID compliant credential, the department anticipates to see an increase in applications that will qualify to be registered to vote. If continuing under the assumption that of the 1.5 million cards issued 750,000 individuals will qualify, over the next card cycle (4 years) the department will anticipate 3,000,000 individuals will need a letter mailed to notify them of their ability to decline automatic voter registration. Assuming the metered mail rate does not increase over the next 4 years the cost of sending this notification will cost the department \$1,530,000 in postage alone for notification.

### **Local Fiscal Impact**

**References/Sources**

**Agency Contact:** Alice Emma Corrie 651-201-7580

**Agency Fiscal Note Coordinator Signature:** Rita Wurm

**Phone:** 651-201-7016

**Date:** 2/12/2021 2:35:48 PM

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