

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0770-05  
Bill No.: HCS for HJR 9  
Subject: Constitutional Amendments; Elections; Secretary of State  
Type: Original  
Date: April 9, 2009

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Bill Summary: This proposes a constitutional amendment authorizing the General Assembly to require photo identification to vote in elections.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
General Revenue	\$0	\$0 or Unknown to (Unknown greater than \$3,372,184)	\$0 or Unknown to (Unknown greater than \$5,535,969)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0 or Unknown to (Unknown greater than \$3,372,184)</b>	<b>\$0 or Unknown to (Unknown greater than \$5,535,969)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
Children's Trust Fund	\$0	\$0 or Unknown	\$0 or Unknown
Endowed Cemetery Care Audit Fund	\$0	\$0 or Unknown	\$0 or Unknown
Mo Public Health Services Fund	\$0	\$0 or Unknown	\$0 or Unknown
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

Numbers within parentheses: ( ) indicate costs or losses. This fiscal note contains 13 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
Department of Revenue	0	0 or 5 FTE	0 or 5 FTE
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0 or 5 FTE</b>	<b>0 or 5 FTE</b>

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☒ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2010</b>	<b>FY 2011</b>	<b>FY 2012</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0 or Unknown</b>	<b>\$0 or Unknown</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Office of the Secretary of State (SOS)** assume this bill requires the SOS to provide notice of the personal ID requirements required to vote. Those costs include:

- Production of radio and TV public service announcements- \$2,000
- Print ad to run twice before an election- \$174,204
- Cable television ad to run twice everyday for eight weeks- \$289,800
- TV and Radio ad to run through broadcast media- \$500,000

The Secretary of State will send a mailer to 4.125 million registered voters to notify them of the new identification requirements at a cost of \$2,037,750 for the 2012 General and Presidential Primary Election. After that, the Secretary of State's office will send mailings to newly registered voters prior to each election. Based on the 244,670 newly registered voters in 2008, this mailer could cost \$120,867

Mailing for the 2012 General Election and Presidential Primary:

4,125,000 registered voters x \$0.414 postage= \$1,707,750

4,125,000 registered voters x \$.08 printing and processing=\$330,000

Mailing to newly registered voters prior to each election:

244,670 new registered voters x \$0.414 postage= \$101,293

244,670 new registered voters x \$.08 printing and processing= \$19,574

The bill imposes new requirements on local election authorities in notifications, additional provisional ballots, trainings, affidavits and processes with regard to notifying and processing voters. Based on the 2008 election, the cost would be at least \$18,800 to print the notice to be distributed to each polling place. The resolution also requires posted notification in the event of a location change for the advance voting center. This is estimated to cost \$1,200. This would bring the total printing cost for "posted notification" to \$20,000.

The bill is not limited to single statewide elections but will affect every election. The cost per fiscal year will vary based on the number of elections held. There are additional days available for public elections, one in February and one in June, which are held only as needed. In the event an election is held on those days, additional funding will be required to implement this bill. The cost in fiscal year 2013 will significantly increase because it is the first year in which three elections will be held. The cost for the three elections held in fiscal year 2013 is \$5,458,421.

**Oversight** assumes that only one election will be held in FY 2011 and that two elections will be

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ASSUMPTION (continued)

held in FY 2012. Oversight has shown the public service announcement costs for each election.

**Oversight** assumes that since the Presidential Primary is in FY 2012 the first postcard notifications to be sent out will be in FY 2012.

Officials at the **Office of the Secretary of State** assume this requires local election authorities to establish advance voting centers. Based on state senatorial districts, the resolution would require 17 satellite sites for advance voting. The fiscal note assumes that each advance voting satellite voting location would be staffed by four election judges paid \$9 per hour for the 70 hours that they will be open for advance voting - a total of \$42,840 per election. Election authorities could also incur ongoing costs for maintenance of the satellite locations, including rent, utilities, and broadband internet service, in the approximate amount of \$500 per satellite location for one month or a total of \$8,500 per election.

Local election authorities would incur one-time costs for the purchase of equipment necessary for advance voting at the satellite locations, including accessible voting machines for disabled voters, laptop computers and printers:

- 1 accessible voting machine per satellite site= \$5,000
- 2 Laptop computers per satellite site = \$1,600
- 1 printer per satellite site = \$7,500
- \$14,100 per satellite site multiplied by 17 satellite sites = \$239,700 initial start up costs.

Officials at the **Office of the Secretary of State** assume this requires the election authority to verify the identity of an individual casting a provisional ballot by comparing that individual's signature to the signature on file with the election authority. This would require a minimum of 1 bipartisan team in each jurisdiction. The number of bipartisan teams will vary based on the number of provisional ballots received in each jurisdiction. Based on the 240,000 Missourians without a photo ID, the local election authority should provide an equal number of affidavits at the polling places.

Minimum cost for signature verification required by this bill:

2 person bipartisan team x 116 jurisdictions x 8 hours x \$9/hour = \$16,704  
\$0.05/affidavit x 240,000 = \$12,000  
Total = \$28,704

If approved by voters, the amendment is effective December 2, 2010 so increased costs would occur to the state as follows:

FY 2011 = April municipal

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ASSUMPTION (continued)

FY 2012 = 2012 February presidential primary and 2012 April municipal  
FY 2013 = 2012 primary, 2012 general and 2013 April municipal

Officials at the **Office of the Secretary of State (SOS)** assume many joint resolutions are considered by the General Assembly that would require the SOS to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. Funding for this item is adjusted each year depending upon the election cycle with \$1.6 million historically appropriated in even numbered fiscal years and \$100,000 appropriated in odd numbered fiscal years to meet these requirements. The appropriation has historically been an estimated appropriation because the final cost is dependent upon the number of ballot measures approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2009 in the November election there were 5 statewide Constitutional Amendments or ballot propositions that cost \$1.35 million to publish (an average of \$270,000 per issue). Therefore, the SOS assumes, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. However, because these requirements are mandatory, we reserve the right to request funding to meet the cost of our publishing requirements if the Governor and the General Assembly change the amount or eliminate the estimated nature of our appropriation.

**Oversight** assumes the SOS could absorb the costs of advertising the statewide ballot measure related to this proposal within their current appropriation level. If multiple bills pass or if multiple ballot initiatives are validated which require similar advertising at substantial costs, the SOS could request funding through the appropriation process.

**Oversight** assumes this proposal will be voted on at the next regularly scheduled general election in November 2010, rather than at a special election. Therefore costs could begin at the April Municipal election in FY 2011.

Officials at the **Department of Revenue (DOR)** assume the applicant will be required to pay the processing fee to the contract license office. The actual cost of the non-drivers ID will be paid for by the state of Missouri, out of general revenue.

To determine an estimated number of potential applicants who may be eligible for a nondriver (photo identification) at no cost, DOR compared the voter records on file with the SOS to the current document holders on record with DOR.

ASSUMPTION (continued)

253,496	Estimated number of individuals registered to vote who do not have a photo identification on file with DOR.
<u>125,705</u>	Estimated number of individuals with an expired photo identification document on file with DOR, who may need to obtain an updated nondriver license document for voting purposes.
379,201	Total estimated number of those who may be eligible for a photo identification document.
<u>x 50%</u>	Estimated number of individuals who would apply for a nondriver license for voting purposes (based on average voter turnout for Missouri derived from 2006 information)
189,601	Potential nondriver license applicants in the first year of implementation (FY2010)
189,600	Remaining number of registered voters who may be eligible for a photo identification document after first year of implementation
<u>÷ 2</u>	
94,800	Estimated number of current registered voters who may apply during FY 2011 and FY 2012.

In addition, because the language allows a person to apply for a nondriver license at no fee by signing an affidavit indicating they do not have a valid photographic identification document, applicants who hold, or held a document previously and have lost it, allowed it to expire or other reasons, may now obtain a nondriver license at no cost.

207,340	Total new, renewal and duplicate nondriver licenses issued in FY 2008.
<u>x 25%</u>	Estimated number of applicants with prior document on file, that would utilize the affidavit for a new, renewal or duplicate, indicating they do not have any other form of photographic personal identification in hand, who therefore would be eligible for a nondriver license at no fee for voting purposes
51,835	Estimated annual nondriver license applicants

Licensing Materials Cost:

FY 2010

189,601	Potential nondriver license applicants first year of implementation FY2010
<u>51,835</u>	Estimated annual nondriver license applicants (previous document)
241,436	Total
<u>x \$1.86</u>	Per document vendor cost for licensing material
\$449,071	Total estimated vendor cost FY 2010 for licensing material

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ASSUMPTION (continued)

FY 2011 and FY 2012

94,800	Estimated number of current registered voters who may apply during subsequent fiscal years FY 2011 and FY 2012
<u>51,835</u>	Estimated annual nondriver license applicants (previous document)
146,635	Total
<u>x \$1.86*</u>	
\$272,741	Total estimated vendor cost FY 2011 and FY2012 for licensing material

\* NOTE: FY11 and FY12 per document price may increase due to expiration of the current contract. DOR is in the process of developing the request for proposal for a new license vendor contract. It is estimated that the vendor cost may range from \$2.00 to \$3.00 per document.

Forms:

FY 2010

241,436	Estimated number of applicants required to complete affidavit
<u>x \$ .025</u>	Cost per document
\$6,036	Total cost per affidavit 1st year

FY 2011 and FY 2012

146,635	Estimated number of applicants required to complete affidavit
<u>x \$ .025</u>	Cost per document
\$3,666	Estimated cost per affidavit form subsequent years

Direct Public Inquiries:

While the SOS is responsible for notifying individuals of the requirement to obtain photo identification for voting purposes, it is assumed that the majority of the inquiries would be directed to the Department of Revenue as the document issuing agency. Estimating a 50% potential applicant inquiry the department assumes that approximately 120,718 (25,917 +94,800) inquiries through the central office will be received during the first implementation year and approximately 73,317 (25,917 + 47,400) calls in subsequent years. To provide the best call-in customer service the department will need to add 5 FTE to handle the additional telephone inquiries.

This legislation will require programming changes to the Missouri Electronic Driver License (MEDL also referred to as Over The Counter-OTC) software and supporting applications. These programming changes will need to be designed and tested at a cost of \$16,800.

ASSUMPTION (continued)

Revenue Impact:

The language indicates the total cost associated with nondriver photo identification under this proposed change shall be borne by the state of Missouri. The department assumes this includes the license cost under Section 302.181.

241,436	Total Estimated NDL applicants FY 2010
<u>x \$6.00</u>	Nondriver License Fee
\$1,448,616	Total estimated potential loss of revenue in FY 2010

146,635	Total estimated NDL applicants FY 2011 and 2012
<u>x \$6.00</u>	Nondriver License Fee
\$879,810	Total estimated potential loss of revenue in FY 2011 and 2012

**Oversight** assumes that since this proposal will be voted on in November 2010, DOR costs could begin starting January 1, 2011.

The nondriver's license fee is split between the State Highway Fund, Cities and Counties.

**Oversight** assumes that since the proposal requires the State to pay the legally required fees for a person to get a nondriver's license photo identification then general revenue will make the fee payments to the Highway Fund, Cities and Counties. Oversight is showing the cost of the nondriver's license fee as a cost to general revenue.

Officials at the **Office of the State Auditor** and the **Budget and Planning** assume that there is no fiscal impact from this proposal.

In response to a previous version of this bill, officials at the **Office of the Attorney General (AGO)** assumes costs can be absorbed with existing resources. Because the AGO is responsible for defending such legislation in constitutionality claims, AGO assumes nature of provisions could create fiscal impact. Therefore, AGO assumes costs unknown.

Officials at the **Cass County** assume costs from the advance voting of at least \$50,000.

Officials at the **Department of Health and Senior Services - Bureau of Vital Records** assume this resolution would increase certain state funds due to the sale of birth certificates. Health officials stated that birth certificate fee, which is \$15 per certified copy, is shared by the following state funds; General Revenue Fund, Children's Trust Fund, Endowed Cemetery Care Audit Fund, and the Missouri Public Health Service Fund. Officials are unable to estimate the



ASSUMPTION (continued)

number of additional birth certificates to be issued and therefore are unable to determine the amount of income to those funds.

Additionally, copies of birth certificates can be obtained at the local public health departments and the \$15 fee is retained by those local public health agencies. It is unknown and difficult to estimate the number that might apply for these records.

No other local election authorities responded to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2010 (10 Mo.)	FY 2011	FY 2012
<b>GENERAL REVENUE</b>			
<u>Cost</u> - Secretary of State public service announcements	\$0	\$0 or (\$966,004)	\$0 or (\$1,932,008)
<u>Cost</u> - Secretary of State postcard notification	\$0	\$0	\$0 or (\$2,037,750)
<u>Cost</u> - Secretary of State polling place notices	\$0	\$0 or (\$20,000)	\$0 or (\$40,000)
<u>Transfer Out</u> - SOS cost of election reimbursed by state to the local election authorities for advance voting	\$0	\$0 or (Unknown greater than \$291,040)	\$0 or (Unknown greater than \$102,680)
<u>Cost</u> - Secretary of State provisional ballot costs	\$0	\$0 or (\$28,704)	\$0 or (\$57,408)
<u>Cost</u> - Department of Revenue computer programming changes	\$0	\$0 or (\$16,800)	\$0

<u>Cost</u> - Department of Revenue licensing materials	\$0	\$0 or (\$449,071)	\$0 or (\$272,741)
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<u>Cost</u> - Department of Revenue affidavit costs	\$0	\$0 or (\$6,036)	\$0 or (\$3,666)
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<u>Cost</u> - Department of Revenue reimbursement of the NDL fee paid to the Highway Fund, Cities and Counties that the State must pay	\$0	\$0 or (\$1,448,616)	\$0 or (\$879,810)
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<u>Cost</u> - Department of Revenue Personal Service	\$0	\$0 or (\$67,314)	\$0 or (\$138,667)
Fringe Benefits	\$0	\$0 or (\$32,735)	\$0 or (\$67,434)
Equipment and Expense	<u>\$0</u>	<u>\$0 or (\$45,864)</u>	<u>\$0 or (\$3,805)</u>
<u>Total Cost</u> - Dept. of Revenue	\$0	\$0 or (\$145,913)	\$0 or (\$209,906)
FTE Change - Dept. of Revenue	0 FTE	0 or 5 FTE	0 or 5 FTE

<u>Revenue</u> - Department of Health birth certificate fees	<u>\$0</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>\$0</u></b>	<b><u>\$0 or Unknown to (Unknown greater than \$3,372,184)</u></b>	<b><u>\$0 or Unknown to (Unknown greater than \$5,535,969)</u></b>
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Estimated Net FTE Change on General Revenue	0 FTE	0 or 5 FTE	0 or 5 FTE
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# **CHILDREN'S TRUST FUND**

<u>Revenue</u> - Dept. of Health birth certificate fees	<u>\$0</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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<b>ESTIMATED NET EFFECT ON CHILDREN'S TRUST FUND</b>	<b><u>\$0</u></b>	<b><u>\$0 or Unknown</u></b>	<b><u>\$0 or Unknown</u></b>
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**ENDOWED CEMETERY CARE  
AUDIT FUND**

Revenue - Dept of Health  
birth certificate fees

\$0 \$0 or Unknown \$0 or Unknown

**ESTIMATED NET EFFECT ON  
ENDOWED CEMETERY CARE  
AUDIT FUND**

**\$0** **\$0 or Unknown** **\$0 or Unknown**

**MO PUBLIC HEALTH SERVICES  
FUND**

Revenue - Dept. of Health  
birth certificate fees

\$0 \$0 or Unknown \$0 or Unknown

**ESTIMATED NET EFFECT ON  
MO PUBLIC HEALTH SERVICES  
FUND**

**\$0** **\$0 or Unknown** **\$0 or Unknown**

FISCAL IMPACT - Local Government

FY 2010  
(10 Mo.)

FY 2011

FY 2012

**LOCAL ELECTION AUTHORITIES**

**FUNDS**

Transfer In - Local Election Authorities  
 reimbursement of election expenses

\$0	\$0 or Unknown greater than \$291,040	\$0 or Unknown greater than \$102,680
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Transfer Out- Local Election Authorities  
 election expenses paid

<u>\$0</u>	<u>\$0 or (Unknown greater than \$291,040)</u>	<u>\$0 or (Unknown greater than \$102,680)</u>
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**ESTIMATED NET EFFECT ON  
 LOCAL ELECTION AUTHORITIES  
 FUNDS**

<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>
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**LOCAL PUBLIC HEALTH  
 DEPARTMENT FUNDS**

Revenue - Local Public Health Dept  
 birth certificate fees

<u>\$0</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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**ESTIMATED NET EFFECT ON  
 LOCAL PUBLIC HEALTH  
 DEPARTMENT FUNDS**

<u><b>\$0</b></u>	<u><b>\$0 or Unknown</b></u>	<u><b>\$0 or Unknown</b></u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

### FISCAL DESCRIPTION

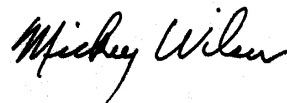
Upon voter approval, this proposed constitutional amendment authorizes the General Assembly to require any person seeking to vote in a public election to provide election officials a form of identification that may be prescribed by law, including a government-issued photo identification, in order to show that he or she is a United States citizen lawfully residing in this state. The State of Missouri will provide at no cost at least one form of the identification required to vote to any otherwise qualified citizen without proper identification who desires one in order to vote.

This act creates a system to allow voters to cast advance ballots at central voting locations and satellite sites. The advance voting period will begin the second Wednesday prior to an election and shall be conducted between 7:00 a.m. and 6:00 p.m. and until 12:00 p.m. on Saturdays.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Department of Revenue  
Office of the Secretary of State  
Office of the State Auditor  
Department of Health and Senior Services  
Office of the Attorney General  
Budget and Planning  
Cass County



Mickey Wilson, CPA  
Director  
April 9, 2009