

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2063-01
Bill No.: HB 1107
Subject: Elections; Revenue, Department of; Licenses-Driver's
Type: Original
Date: April 1, 2019

Bill Summary: This proposal modifies provisions relating to elections.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	(\$59,914) to (\$94,632)	\$0 to (\$80,631)	\$0 to (\$81,312)
Total Estimated Net Effect on General Revenue	(\$59,914) to (\$94,632)	\$0 to (\$80,631)	\$0 to (\$81,312)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	0 to 1 FTE	0 to 1 FTE	0 to 1 FTE
Total Estimated Net Effect on FTE	0 to 1 FTE	0 to 1 FTE	0 to 1 FTE

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Revenue (DOR)** state:

§115.427.1 - Requires persons seeking to vote in a public election shall establish their identity to vote at the polling place by presenting a form of personal identification to election officials. The form of personal identification must be a non-expired Missouri driver's license, non-expired or non-expiring Missouri nondriver's license that contain a distinguishing mark on the front of the license that specifies the individual is a "citizen".

§302.064 - Requires any driver's license, nondriver's identification card, or other form of identification issued by the Department to a person who is a citizen of the United States shall have a distinguishing mark on the front of the license or card that specifies the individual is a citizen.

Administrative Impact

The proposed legislation would require the Department to work with our license issuance vendor to modify the card design for driver license and nondriver identification card printing to include a notation for a citizen of the United States. The current card format does not have the available space to allow this information as it appears to be required by the proposed language.

To implement the proposed legislation, the Department will be required to:

- Work with the driver license issuance vendor to modify driver license and nondriver license card design to allow for placement of the proposed "citizen" marking;
- Submit a change request to the current license vendor to request a place for the marking;
- Update the Missouri Electronic Driver License (MEDL) issuance system;
- Complete testing with factory print facility for data changes and card design changes for the new marking;
- Update procedures, forms, correspondence letters, and the Department website;
- Update the on-line and printed versions of the Missouri Driver Guide, Missouri Motorcycle Guide, and Commercial Driver License Manual;
- Complete programing and user acceptance testing;
- Update the Uniform License Issuance Manual (ULIM); and
- Train staff.

ASSUMPTION (continued)

FY 2020 - Driver License Bureau

Administrative Analyst II	360 hrs. @ \$17.13 per hr.	= \$ 6,167
Management Analysis Spec II	400 hrs. @ \$20.57 per hr.	= \$ 8,228
Revenue Manager	120 hrs. @ \$20.59 per hr.	= \$ 2,471
Total		= \$16,866

FY 2020 - Personnel Services Bureau

Administrative Analyst III	40 hrs. @ \$19.80 per hr.	= \$ 792
Management Analysis Spec I	40 hrs. @ \$18.42 per hr.	= \$ 737
Total		= \$ 1,529

Total Costs = \$18,395

Oversight assumes that DOR will be able to accomplish the work with existing resources; however, if multiple bills pass, the cumulative impact may require additional FTE.

DOR notes:

FY 2020 - Vendor Cost

The Department is required to modify the current card design and factory processing based on the proposed language. The estimated one-time cost for completion of card design changes by the vendor would be \$28,000.

Oversight does not have any information to the contrary in regards to DOR's assumptions regarding vendor costs; therefore, Oversight will reflect DOR's vendor costs on the fiscal note.

OA-ITSD states services will be required at a cost of **\$31,914** (425.52 hours x \$75 per hour) in FY 2020 to implement these changes.

Oversight notes ITSD assumes that every new IT project/system will be bid out because all their resources are at full capacity. For this bill, ITSD assumes they will contract out the programming changes needed to the MEDL system. ITSD estimates the project would take 425.52 hours at a contract rate of \$75 per hour for a total cost to the state of \$31,914. Oversight notes that an average salary for a current IT Specialist within ITSD is \$51,618, which totals roughly \$80,000 per year when fringe benefits are added. Assuming that all ITSD resources are at full capacity, Oversight assumes ITSD may (instead of contracting out the programming) hire an additional IT Specialist to perform the work required from this bill. Therefore, Oversight will range the fiscal

ASSUMPTION (continued)

impact from the ITSD estimated cost of contracting out the work (\$31,914) to hiring an additional FTE IT Specialist (roughly \$80,000 per year).

Officials from the **Office of the Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could require additional resources.

Officials from the **Platte County Board of Elections** and **St. Louis County Board of Elections** both assume the proposal will have no fiscal impact on their organization.

Oversight notes that the Platte County Board of Elections and St. Louis County Board of Elections have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local election authorities were requested to respond to this proposed legislation but did not. For a general listing of political subdivisions included in our database, please refer to www.legislativeoversight.mo.gov.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
GENERAL REVENUE			
<u>Cost</u> - DOR - Vendor cost	(\$28,000)	\$0	\$0
<u>Cost</u> - DOR - ITSD costs (ranged from contracting out programming (\$31,914) to hiring one additional FTE IT Specialist)	(\$31,914) to <u>(\$66,632)</u>	\$0 to (\$80,631)	\$0 to (\$81,312)
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	(\$59,914) to <u>(\$94,632)</u>	\$0 to (\$80,631)	\$0 to (\$81,312)
Estimated Net FTE Change for General Revenue	0 or 1 FTE	0 or 1 FTE	0 or 1 FTE

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill requires any candidate for public office, not including a political party committee office, to file an affirmation of tax payments and bonding affidavit.

The bill also requires that a photographic identification in the form of driver's license or nondriver's identification card be marked to distinguish that an individual is a citizen for purposes of voting. The Department of Revenue will ensure that any form of identification issued by the department to a citizen specifies that the individual is a citizen of the United States.

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

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SOURCES OF INFORMATION

Department of Revenue
Office of the Secretary of State
Platte County Board of Elections
St. Louis County Board of Elections



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April 1, 2019

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April 1, 2019