



NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

Legislative Fiscal Note

Short Title: Online Voter Registration.
Bill Number: House Bill 691 (First Edition)
Sponsor(s): Representative Alexander

SUMMARY TABLE

FISCAL IMPACT OF H.B. 691, V.1 (\$ in thousands)

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
State Impact					
General Fund Revenue	-	-	-	-	-
Less Expenditures	72.0	15.0	15.0	15.0	15.0
General Fund Impact	(72.0)	(15.0)	(15.0)	(15.0)	(15.0)
Highway Fund Revenue	-	-	-	-	-
Less Expenditures	81.8	8.2	8.2	8.2	8.2
Highway Fund Impact	(81.8)	(8.2)	(8.2)	(8.2)	(8.2)
NET STATE IMPACT	(\$153.8)	(\$23.2)	(\$23.2)	(\$23.2)	(\$23.2)

Local Impact

Local Revenue	-	-	-	-	-
Less Local Expenditures	-	-	-	-	-

NET LOCAL IMPACT **Likely Budget Cost - Refer to Fiscal Analysis Section**

TECHNICAL CONSIDERATIONS: See Technical Considerations Section

FISCAL IMPACT SUMMARY

It is estimated that this bill will result in a one-time cost to the Division of Motor Vehicles (DMV) from the Highway Fund of \$81,760. The State Board of Elections (SBOE) will have one-time costs of \$72,000. Beginning in FY 2020-21, annual maintenance costs for DMV will be \$8,176 and for SBOE will be \$15,000.

FISCAL ANALYSIS

Section 1

This section directs SBOE to develop an application form for voter registration that can be filled out by hand or electronically and mailed in to a county board of elections. The costs for implementing this section are anticipated to be minimal, per SBOE.

Section 2

This section defines eligibility requirements for online voter registration and the procedures by which an eligible applicant may register to vote online. SBOE is required to create a secure website to facilitate online voter registrations. The one-time estimated costs are \$72,000 to hire a contractor to develop and test the new website. Ongoing costs for cloud storage and egress charges will depend on the volume of transactions, but SBOE estimates that cost to be \$15,000 annually.

When an applicant registers to vote online, DMV is required to compare the information submitted by the applicant with the information maintained in DMV systems. If DMV confirms that the applicant possesses a current and valid form of identification, then DMV is to submit the completed application to the county board of elections where the applicant currently resides. If DMV is unable to confirm that the applicant possesses a valid form of identification, DMV will send the application and conflicting information to the county board of elections. The county board of elections is then required to inform the applicant that the application cannot be processed. There will be costs associated with these notification mailings, but the cost is unknown due to lack of information on how many applications will be unable to be processed.

DMV operates and maintains the State Automated Driver License System (SADLS), a computer system that maintains driver data. This system will require technical modifications to comply with the verification requirements of this bill. The estimated impact for these modifications is a one-time expense of \$81,760 in the first year of implementation and annual maintenance costs of \$8,176, beginning in FY 2020-21.

TECHNICAL CONSIDERATIONS

Due to the resources allocated for compliance with federal programs and S.L. 2018-144, Implementation of Voter ID Constitutional Amendment, the technical modifications to SADLS required by this bill cannot be implemented prior to June 1, 2020.

DATA SOURCES

STATE BOARD OF ELECTIONS, DIVISION OF MOTOR VEHICLES, DEPARTMENT OF TRANSPORTATION

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected

direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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