

GENERAL ASSEMBLY OF NORTH CAROLINA



Session 2013

Legislative Fiscal Note

BILL NUMBER: House Bill 589 (Second Edition)

SHORT TITLE: VIVA.

SPONSOR(S): Representatives Warren, Murry, T. Moore, and Samuelson

FISCAL IMPACT					
(\$ in thousands)					
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> No Estimate Available					
	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
State Impact					
General Fund Revenues:					
General Fund Expenditures:					
SBOE VIVA	12.0	12.0	12.0	4.5	0.0
SBOE Staffing	553.0	792.3	846.0	394.8	0.0
HHS Vital Statistics	No estimate available.				
State Positions:	10.00	10.00	10.00	10.00	0.00
Highway Fund Revenues:					
Highway Fund Expenditures:					
DMV - Special Cards	0.0 to 834.2	0.0 to 24.1	0.0 to 24.1	0.0 to 24.1	0.0 to 24.1
DOT - IT	106.7				
Local Impact:					
County Register of Deeds	No estimate available.				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:					
State Board of Elections, Department of Transportation, Health and Human Services, County Register of Deeds					
EFFECTIVE DATE:					
When bill becomes law and January 2016					
TECHNICAL CONSIDERATIONS: Yes - See Technical Considerations Section					

BILL SUMMARY: *prepared by the Research Division, NCGA*

CURRENT LAW AND BILL ANALYSIS:

Part I: VIVA (Sections 1-3)

Current Law: G.S. 163-82.20 designates certain public agencies as voter registration agencies, including agencies that accept applications for public assistance, provide service to persons with disabilities, and accept unemployment claims.

Bill Analysis:

- **Additional Public Agency Registration Sites** - County boards of elections and county boards of commissioners, with approval by the SBOE, could offer voter registration at county senior centers and county parks and recreation services.
- **VIVA Board** – Would establish the Voter Information Verification Advisory Board (VIVA board) with 3-5 members representing all political parties and unaffiliated voters appointed by the State Board of Elections

(SBOE). No political party could have a majority on the VIVA board. Board duties would include advising the SBOE on the following: promoting, assisting, and educating the public about registration and voting; helping individuals obtain photo identification for voting; developing a system for training and recruiting VIVA volunteers; and outreach to governmental agencies, political parties, and nonprofits to help identify and assist voters without photo identification.

- **SBOE Duties** – Would require the SBOE to disseminate information about photo identification requirements and how to obtain photo identification for voting, and to assist registered voters in obtaining photo identification. The SBOE would disseminate information through a variety of media; work with public agencies, private partners, and nonprofits on these efforts; and ensure that all outreach efforts be accessible to the elderly and persons with disabilities. The Executive Director of the SBOE would assign staff to assist the VIVA board with these efforts.

Part II: Photo Identification

Current Law:

Statement of Name and Address – All Voters: When appearing at the polls, a voter must state his or her name and residence address to the election official. The individual, if verified by the election official as a registered voter, must then sign his or her name to the poll book, other voting record, or voter authorization document prior to voting. (G.S. 163-166.7). County boards may not require voters to show voter registration cards to vote. (G.S. 163-82.8)

Showing of ID – Certain First Time Voters: A voter registering by mail, who has not previously voted in an election with a federal ballot item, must provide one of the following forms of identification prior to voting in person:

- A current and valid photo ID.
- A copy of one of the following documents that shows the name and address of the voter: current utility bill, bank statement, government check, paycheck, or other government document. (HAVA documents)

A voter is exempted from showing identification if that individual included as part of the voter registration one of the forms of ID listed above, or his or her driver's license number or the last four digits of his or her social security number which matched an existing State identification record.

Also exempt are overseas and military voters entitled to vote by absentee ballot under the Uniform Military and Overseas Voter Act (Article 21A of Chapter 163) and voters entitled to vote other than in person under the federal Voting Accessibility for the Elderly and Handicapped Act. (G.S. 163-166.12)

Bill Analysis:

- **Photo Identification Requirement (Section 4)** - Would establish G.S. 163-166.13, requiring all voters voting in person to present photo identification (photo ID) bearing any reasonable resemblance to the voter, subject to the exceptions noted below. Voters without photo ID would vote a provisional ballot.
- **Acceptable forms of photo ID for voting identification (Section 4)**
 1. An identification card containing a photograph of the registered voter that:
 - Bears either a date of expiration or date of issuance,
 - Is not more than 10 years beyond the date of expiration or issuance, whichever is later, and
 - Is issued by a branch, department, agency, or entity of the United States, NC, or any other state.
 - Examples of this identification include:
 - NC driver's license.
 - NC special identification card.
 - US passport.
 - Employee identification card.

- US military identification card.
 - UNC constituent institution identification card.
 - NC community college identification card.
 - Identification card issued to a fireman, EMS, hospital employee, or law enforcement officer.
 - Identification card issued by a unit of local government, public authority, or special district.
 - Identification card issued for a government program of public assistance.
2. A Veterans Identification Card issued by the US Department of Veterans Affairs.
 3. For voters over the age of 70, an identification card that:
 - Bears a date of expiration,
 - Was not expired on the day the voter reached the age of 70, and
 - Is issued by a branch, department, agency, or entity of the United States, NC, or any other state.
- **Exceptions to the Photo Identification Requirement (Sections 4, 6, and 9)**
 - **Religious Objectors (Page 2, line 33-36 and Section 6)** – Voters with a sincerely held religious belief against being photographed would be permitted to vote a regular ballot if that person executed a declaration of that objection before an election official more than 25 days before the election. The declaration would be incorporated into the voter's official voter registration record.
 - **Curbside Voters (Page 2, lines 31-32 and Section 9)** – Qualified voters who due to age or physical disability are unable to enter the voting enclosure are permitted to vote in their vehicle (G.S. 163-166.9). These voters could comply with the photo ID requirements in one of three ways:
 1. Presenting acceptable photo ID.
 2. Presenting a copy of a HAVA document.
 3. Completing a declaration stating the voter's identity signed by the voter and by a person accompanying the voter who declares they personally know the voter and who shows acceptable photo ID.
 - **Reasonable Resemblance Determination (Section 5)** - If the election official determines the voter's photo ID does not bear any reasonable resemblance to the voter, the judges of election present would be required to rule on the matter.
 - A voter is permitted to vote unless the judges present unanimously agree that the photo has no reasonable resemblance to the voter. This determination is dispositive in a challenge on the basis of voter identity.
 - A voter may vote a challenged ballot if the judges present unanimously agree there is no reasonable resemblance to the voter.

Election judges would be made available for this purpose during one-stop voting, and following the election up to canvass at the county board of elections. Records would be kept of the reasonable resemblance determinations by election judges where the voter is permitted to vote.
 - **Provisional Ballots for those without Photo Identification (Section 11)**

An individual who voted a provisional ballot due to lack of photo ID may come in person to the county board of elections (CBOE) no later than noon on the day before the election canvass to seek the counting of the ballot. If the voter does one of the following at the CBOE, unless otherwise disqualified, the ballot will be counted:

 - **Present Photo ID** – A voter may present photo ID that bears a reasonable resemblance to the voter.
 - **Natural Disaster Affidavit** – A voter who was unable to produce photo ID as a result of a natural disaster declared by the President or Governor may sign a declaration to that effect.

- **Religious Objection** – A voter who had not previously filed a religious objection declaration may show a HAVA document and sign a declaration of their religious objection, as well as have an opportunity to complete a declaration for future elections.

Conforming Changes: The remainder of the Part would make the following conforming changes:

- **Section 7** - Require photo identification in addition to documentation for proof of residency for same day registration and voting at one-stop sites.
- **Section 8** - Require photo identification when voting in-person on election day.
- **Section 10** - Require photo identification when voting in-person at a one-stop site.
- **Section 12** – Add failure to provide photo identification as grounds for an election day voter challenge.

Part III Implementation

Waiver of Fees for Photo ID and Birth Certificates (Sections 13 and 14)

Current Law

- **Special ID Cards** - Individuals may obtain a special identification card from the Division of Motor Vehicles (DMV) which requires the same documentation of identity and residence as a NC driver's license. The fee for a special identification card is currently \$20-\$32, depending on the individual's age. The fee is waived for those who are legally blind, older than 70, homeless, or who have had a license canceled due to physical or mental disability or disease. (G.S. 20-37.7)
- **Certified Birth Certificates and Marriage Licenses** - Certified copies of birth certificates and marriage licenses may be obtained from NC Vital Records or the register of deeds in each county. The cost to obtain these vital records ranges from \$10-\$24. (G.S. 130A-93.1 and G.S. 161-10)

Bill Analysis: Would waive the fee for special identification cards and certified birth certificates or marriage licenses if the individual signs a declaration that the voter is: 1) registered to vote and 2) does not have other photo identification needed to vote. The DMV, State Registrar, and county register of deeds would be required to verify the individual's voter registration prior to issuing the documents. False or fraudulent statements on these declarations would be a Class I felony.

Reimbursement of Fee Waivers (Section 18) - The SBOE would be required to reimburse the DMV, State Registrar, and county registers of deeds for direct costs associated with administering fee waivers required for special identification cards and certified birth or marriage certificates.

Mail-In Absentee Voting (Section 16)

Current Law

- **Request for Absentee Ballot** - To vote absentee by mail, a voter must submit either a handwritten request or a form generated by the CBOE and signed by the requestor. The request may also be made by a near relative or legal guardian.
- **Voting by Mail** - The CBOE then mails the voter a ballot and container return envelope printed with a ballot application. In the presence of a person who is at least 18 and not a candidate or employee of certain adult care homes, the voter must complete the absentee ballot, place it in the container return envelope, and sign and certify on the container return envelope ballot application that the voter is eligible to vote and has voted the enclosed ballot. The witness must also sign the ballot application and certificate as a witness and indicate the witness's address.

Bill Analysis:

- **Request Form for Absentee Ballot** - A request for an absentee ballot must be made in writing on a form created by the SBOE and signed by the voter or near relative/legal guardian. The form must require the following information:

- Voter's name and residential address.
- Near relative/legal guardian's name and address (if requestor).
- Voter's address for mailing of ballot (if different from residential address).
- One or more of the following:
 1. NC driver's license number.
 2. Voter's NC special ID card number.
 3. Last 4 digits of voter's Social Security Number.

If the individual does not have one of the above numbers, the voter may include a HAVA document with the request.

- Voter's date of birth.
- Signature of voter or near relative/legal guardian (if requestor).

The CBOE must confirm the voter's registration prior to issuing the voter an absentee application and ballot.

- **Voting by Mail** – The voter must complete the absentee ballot in the presence of two voters who are at least 18 and not a candidate or employee of certain adult care homes. Both individuals must sign the absentee application and certificate as witnesses and indicate their addresses. If a near relative/legal guardian assisted the voter, that individual's name and address must also be listed.
- **Verifiable Legal Guardian** – Would define "verifiable legal guardian" for absentee voting as an individual or corporation appointed guardian under Chapter 35A. Corporate guardians could submit a list of up to 10 individuals to the SBOE to act for the corporation with regards to absentee ballots.

Education and Publicity Requirements (Section 17, 19 and 20)

- **Publicity Requirements (Section 17)** – Counties would be required to provide notice about new photo identification requirements when communicating with voters about district assignments, sending new voter registration cards, and placing information on the CBOE website, and must include information in the notice of elections for the 2014 primary and general election. Information should also be posted at the polls during the 2014 elections.
- The SBOE would be required to place information about the photo identification requirements on its website and distribute information to groups and organizations serving persons with disabilities or the elderly. The VIVA board would provide education and assistance to voters. The SBOE may publish a Voter Guide that includes the voter identification procedures and requirements.
- **Notice of Class I Felony (Section 19)** – The SBOE would be required to include a prominent statement on all election forms that submitting fraudulent or false declarations is a Class I felony.
- **Electronic Pollbooks (Section 20)** – The SBOE would be required to study and report to the Joint Legislative Elections Oversight Committee on a secure and feasible method of creating and utilizing electronic pollbooks with digital photographs of registered voters, including a proposed pilot project, by April 1, 2014.

Severability Clause (Section 21) – Would sever any section of the bill held invalid so that the remainder of the act would be given effect without that section.

EFFECTIVE DATE: Part I would become effective July 1, 2016, and expire December 31, 2016. Part II would become effective January 1, 2016, and apply to elections conducted on or after that date. Sections 13 and 14 would become effective October 1, 2013. Section 16 would become effective January 1, 2014 and apply to primaries and elections held on or after that date. The remainder of the bill would become effective when it becomes law. The entire act would become effective only if the General Assembly appropriates funds in the 2013 budget to implement it.

HB 589 may not be implemented until the session law has received "preclearance" approval under Section 5 of the Voting Rights of 1965.

At elections occurring between August 1, 2013 and January 1, 2016:

- Individuals may, but are not required to, present photo ID at elections.
- Voters must be informed that photo ID will be required beginning in 2016 and must be asked if they have a required photo ID. Voters who do not have photo ID will be asked to sign an acknowledgement of the requirement and will be given a list of appropriate photo ID and information on how to obtain ID. The list of voters signing the acknowledgment will be public record.

ASSUMPTIONS AND METHODOLOGY:

Section 1 - Voter Information Verification Advisory Board

HB 589 creates an advisory board consisting of five registered voters appointed by the State Board of Elections (SBOE). The Board is charged with advising the State Board of Elections in promotions and assistance in the elections process. These members would be allowed to receive per diem and travel per GS 138-5. The approximate cost would depend upon the number of meetings. For calculation purposes, this estimate is based upon six meetings annually for FY 2013-14 through FY 2015-16 and three meetings in FY 2016-17 since the advisory board will terminate on December 31, 2016.

<p>➤ The calculation includes \$15/payment per day of meetings, per diem is \$81/day and travel and lodging are reimbursed per GS 138-5. The estimate includes reimbursement for six meetings annually and three meetings during FY 2016-17. The total per member per meeting is approximately $\\$300 * 5 \text{ members} = \\$1,500$ and $\\$9,000$ for six meetings annually and $\\$4,500$ for FY 2016-17.</p>
<p>➤ Additionally, these members are required to attend training for county board of elections members. The reimbursement for the training sessions would require approximately two additional days of reimbursement; $\\$300 * 5 \text{ members} = \\$1,500$ and $\\$3,000$ for two training sessions.</p>
<p>➤ The total estimation for reimbursement for advisory board members is $\\$12,000/\text{year}$ and $\\$4,500$ in the final year of existence.</p>

The State Board of Elections is required in Section 3 of HB 589 to assign staff to support this Board. See Section 3 of this fiscal memo regarding potential costs.

Section 2 – Public Agencies Permitted to Offer Registration

The State Board of Elections, county boards of elections, and county board of commissioners may permit voter registration in senior centers or facilities operated by county governments and through parks and recreation services operated by counties. It is assumed that any minimal costs associated with this change would be borne locally.

Section 3.(a) – State Board of Elections Responsibilities

HB 589 requires the State Board of Elections to assign staff to perform the following duties:

- Provide information about photo identification requirements and how to obtain appropriate photo identification to the public
 - Information may be distributed through various outlets including: public service announcements, print, radio, television, online, and social media;
- Work through various local groups to identify voters without appropriate identification; and,
- Assist voters in securing appropriate photo identification.

District Election Educators

1. The Election Boards Association (formally The North Carolina Association of County Boards of Elections Officials) created election districts comprised of 10-15 counties. This was done in response to training and information needs regarding election laws. There are eight districts with membership comprised of the counties' local board of elections. These district boards meet periodically. This district-infrastructure may be utilized to carry out these activities. The State Board of Elections has employed personnel with the title of District Election Technicians (DETs) who were assigned to districts to assist with implementation of election laws, information technology support on Election Day, and training. The State Board of Elections no longer has the DET positions; however, it is assumed that these positions could be reestablished as District Election Educators to perform functions related to implementing photo identification requirements.
2. The outreach and education effort would require communication and contact with local entities; therefore, any new positions would be located within the districts. By having the home-office of staff located within the districts would help reduce the travel costs. The staff would either be based out of their home or SBOE would work to obtain agreements to allow staff to work within a state agency or local government office.
3. With these assumptions in consideration, The State Board of Elections would need additional capacity to assist with these particular activities. It is anticipated the required-work would be temporary (through December 31, 2016) and performed during the education phase of implementing a photo identification requirement in the State. It is assumed there would be staff assigned to each district and more than one FTE to districts identified with a higher number of registered voters without appropriate identification; therefore, there would be a combination of full-time and part-time positions. It is estimated that there will need to be the equivalent of 8 full time positions providing education and outreach. The SBOE would need to determine the needs for each district.

4. The State Board of Elections would need to continually assess the numbers of possible registered voters without the photo identification and their location of residence, and as those numbers reduce in some districts shift staff as needed to support other districts. Of the total number of registered voters, there are 318,643 voters in which there is no match to the DMV database of individuals with driver licenses and identification cards and may not have an appropriate photo identification (See Section 13 for analysis). The chart below shows the location of these individuals by district and the counties that are assigned to each district.

District	Counties assigned to district	Number of registered voters with no match to DMV database
1	Cherokee, Graham, Clay, Swain, Macon, Jackson, Haywood, Transylvania, Madison, Buncombe, Henderson, Polk	19,526
2	Rutherford, Cleveland, Catawba, Lincoln, Gaston, Alexander, Iredell, Mecklenburg, Rowan, Cabarrus, Stanly, Union	72,275
3	Yancey, Mitchell, McDowell, Avery, Burke, Watauga, Caldwell, Ashe, Wilkes, Alleghany, Surry, Yadkin	14,807
4	Davie, Stokes, Forsyth, Davidson, Rockingham, Guilford, Randolph, Caswell, Alamance, Person, Orange, Chatham	59,598
5	Montgomery, Anson, Richmond, Moore, Scotland, Lee, Harnett, Cumberland, Hoke, Harnett, Robeson, Bladen, Columbus	43,520
6	Durham, Granville, Wake, Vance, Franklin, Johnston, Warren, Nash, Johnston, Wilson, Halifax, Edgecombe	61,831
7	Brunswick, New Hanover, Pender, Duplin, Wayne, Greene, Lenoir, Jones, Onslow, Pitt, Craven, Carteret, Pamlico	35,317
8	North Hampton, Hertford, Bertie, Martin, Beaufort, Gates, Chowan, Washington, Perquimans, Tyrrell, Pasquotank, Dare, Camden, Currituck	11,769
Total		318,643

5. Additionally, there would need to be one FTE that would supervise this team of eight who could also coordinate state-wide public notice activities.
6. The previous DETs' salary was on average \$50,000 annually and with benefits the total is \$64,172 for one FTE position. The supervisor is estimated at a salary of \$75,000 and with benefits, the total is \$92,172. The calculated total is $8 * \$64,172 = \$513,376$ for the field staff. The total for salary and fringe benefits is estimated at \$605,548 annualized.
7. There would also be costs for remote office operations, supplies, and travel expenses. The previous DET positions with SBOE had an average annual per-staff cost of \$1,500 and \$8,100 for travel with utilization of the State Motor Fleet Management System. The total would be \$9,600 per FTE working out in the field. The supervisor, located at the SBOE headquarters, would also incur costs for travel, but likely not as much as the field staff; therefore, their travel expense is calculated at 75% of the field staff @ \$6,075. The calculated total is $8 * \$9,600 + \$1,500 = \$88,800$ for the field staff expenses and \$6,075 for the supervisor expenses. The total for these office and travel expenses is estimated to be approximately \$94,875.

8. The estimated total expenses for staff, benefits, remote office operations, and travel is \$700,423 annually. It is anticipated this level of staff support would be needed in FY 2013-14 – December 31, 2016, at which time this is no longer required by HB 589.

Annual Expenses	Salary and Benefits	Travel Expenses	Office Remote Cost	Total	Number of FTEs	Totals
Supervisor	\$92,172	\$6,075	0	\$98,247	1	\$98,247
District Election Educators	\$64,172	\$9,600	\$1,500	\$75,272	8	\$602,176
It is estimated that during FY 2013-14, the positions would not be filled until October 1, 2013 and would be 75% of this total. Additionally, an inflation factor is used for the additional years.					Annual Total	\$700,423

Outreach and Information

HB 589 requires SBOE to disseminate information to the public on the voter photo identification requirement and this information may be distributed through public service announcements, print, radio, television, online, and social media. Fiscal Research Division does not have an estimate of the cost to disseminate information to the public as required by HB 589. However, data was available showing the cost of similar state-wide public information campaigns in North Carolina and Georgia. For example:

- The State of Georgia conducted a statewide multi-media campaign to educate its residents on its photo identification requirement. Georgia’s campaign involved direct mail, utility bill inserts, packages of materials provided to local organizations, press releases, video and radio public service announcements, purchase of radio ads, and public transportation ads.
 - The Georgia Secretary of State reported that the statewide campaign cost was \$841,914.44 over 14 months.
- The College Foundation of North Carolina (CFNC) has statewide campaign that includes TV, radio, billboards, high school newspapers, and the internet. A recent survey identified 90% of parents with students in grades 7-12 were aware of the service. The total cost for the campaign is approximately \$1.45 million annually (all funding sources) which is less than in earlier years in which there was greater saturation; in FY 2003 CFNC spent \$3.1 million (all funding sources) on advertising efforts.
- The Department of Health and Human Services has supported public health campaigns that have included public education and information dissemination which cost \$100,000 annually to promote healthy life style activities.

Section 3.(b) The SBOE is required to assign staff to support the Voter Information Verification Advisory Board. It is assumed this support will be provided by existing staff; therefore, there is no fiscal impact.

Section 4 – See costs associated with the provision of special identification cards under Section 13 of this analysis.

Section 5 – Implementation of the photo identification requirement on Election Day. No fiscal impact.

Section 6 – Religious objection to photo identification. No fiscal impact.

Section 7 – Incorporate photo identification requirement into current elections law. No fiscal impact.

Section 8 – Includes photo identification requirement into current elections law. No fiscal impact.

Section 9 – Incorporates photo identification requirement into curbside voting. No fiscal impact.

Section 10 – Requires appropriate photo identification for in-person absentee voting. See Section 13 of this analysis.

Section 11 – Counting of provisional ballots. There may an additional cost to some counties if there are a large number of provisional ballots following elections. There is no estimate of costs to counties for this activity.

Section 12 – Includes appropriate photo identification regarding challenges on Election Day. No fiscal impact.

Section 13 – Division of Motor Vehicles: Special Identification Card

HB 589 allows an eligible voter without one of the accepted forms of photo identification to obtain a non-operator special identification card for non-operators from the Division of Motor Vehicles (DMV) free-of-charge, provided that the voter signs a declaration that he or she does not have an alternate form of identification as required by G.S. 163-166.13.

This analysis assumes that registered voters seeking DMV-issued identification are prompted solely by this photo identification requirement, and therefore will not otherwise seek free identification cards in lieu of the regular ID issuance process. **However, there is no estimate of the proportion of registered voters who may possess or obtain an alternate form of accepted voter identification prior to the effective date of the photo identification requirement.** Accordingly, the scenarios outlined below illustrate the potential range of license production and delivery costs to the Highway Fund, based on the best available estimates of eligible persons.

The following assumptions were made to arrive at these estimates:

1. SBOE determined with a high level of confidence, that as of March 2013, there were 318,643 registered voters which could not be matched with DMV records based on queries of the State Elections Information Management System (SEIMS) and State Automated Driver License System (SADLS) databases.
2. Queries utilized names, driver license numbers, social security numbers, addresses, and other identifying data to match individuals who are both 1) registered to vote and 2) have been issued some form of identification by DMV.

3. Additional queries utilized Soundex technology to match the phonics of names which may have been spelled differently in each database.
 - o Examples of this search methodology include matching of hyphenated and unhyphenated names and misspellings in which the letters “a” and “e” may be interchanged.
4. Of the 318,643 registered voters which did not match DMV records, 115,291 were found to have not voted in the last five election cycles. Subtracting these voters based on inactivity yields 203,352 active registered voters without confirmed issuance of identification by DMV.
5. Accordingly, a range of 203,352 – 318,643 is assumed for the pool of current registered voters without a match between the SEIMS and SADLS databases. This range does not necessarily represent the number of registered voters without an appropriate form of photo identification; it is not known how many of these individuals may possess another accepted form.
6. It is assumed that there will be a growth of newly registered voters each year without a valid form of identification, in addition to the existing number of registered voters assumed to lack identification. An average of 420,332 individuals registered to vote each year from 2009 to 2012, according to SBOE. It is assumed that this increase will remain constant over the next five fiscal years. Of the newly registered voters, an average of 56% chose to register to vote through DMV. This analysis assumed that the 44% of voters that did not register through DMV mimic the population of existing registered voters without a DMV issued ID, meaning that 3.16% (low estimate) or 4.96% (high estimate) do not have a DMV issued ID and could be eligible for a free ID.
7. This methodology yields the low and high range estimates shown in the table below. For the higher scenario, it is assumed that 4.96% of registered voters do not match to DMV records. For the lower scenario, it is assumed that 3.16% registered voters do not match to DMV records.

Scenario	Existing	Projected New Voters without DMV-issued Identification					Grand Total
		2013-14	2014-15	2015-16	2016-17	2017-18	
High	318,643	9,150	9,150	9,150	9,150	9,150	364,393
Low	203,352	5,830	5,830	5,830	5,830	5,830	232,502

8. Fiscal Research cannot estimate when or if these individuals might apply for a special identification card. It is generally assumed that SBOE outreach efforts and public awareness per the proposed notification processes will lead to issuance of a higher number of special identification card applications within the first two years of enactment, decreasing in subsequent years to mostly reflect new registrations. However, registered

voters may wait to obtain their special identification cards until closer to the actual requirement of the photo identification requirement at polling sites.

9. Vendor compensation for license and identification card production is contractually set at \$1.95 per issued card. However, upon completion of the Next Generation Secure Driver License System (NGSDLS) and vendor migration during FY 2013-14, the per card compensation rate is expected to increase to \$2.12. Based on the current project completion target of January 2014, this analysis assumes a blended compensation rate of \$2.035 per card during FY 2013-14, increasing to \$2.12 per card for subsequent years. Estimated postage and delivery costs total \$0.51 per card for central issuance.

Card Production, Postage, & Delivery	Scenario	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18
	High	0 - 834,233	0 - 24,065	0 - 24,065	0 - 24,065	0 - 24,065
	Low	0 - 532,368	0 - 15,333	0 - 15,333	0 - 15,333	0 - 15,333

10. Fiscal Research also assumes that existing central issuance and driver license field office staff will accommodate the increased application volume and requisite identity and residency document verification. However, longer wait times at DMV field offices and central issuance backlogs may be experienced, depending on the timing of identification card requests.
11. In order to verify voter registration for the issuance of a special identification card, the Department of Transportation must develop a real-time interface between the State Automated Driver License System (SADLS) and State Elections Information Management System (SEIMS) to query registration records. However, the Department of Transportation – Information Technology section could not provide an implementation timeline for development of the required modifications to SADLS and NGSDLS programs. A “code freeze” is currently in effect for all certification-related programs pending completion of the NGSDLS project. Additionally, because the NGSDLS is implementing a graphic user interface version of mainframe programs and viewer screens, corresponding modifications are required of both systems. Although the exact implementation timeframe is unknown, DOT-IT estimates a total of 1,142 hours of contractual labor for SADLS (892 hours) and NGSDLS (250 hours) modifications at a total estimated cost of \$106,730.

Section 14: Department of Health and Human Services Vital Records Unit and County Registers of Deeds

Department of Health and Human Services (DHHS) Vital Records Unit

HB 589 amends G.S. 130A-93.1 to require the State Registrar, upon verification of voter registration, to provide a certified copy of a birth certificate or marriage license necessary to obtain photo identification, to a registered voter, at no cost. The Vital Records Units within the NC DHHS Division of Public Health Section is responsible for registering and maintaining records of all births, deaths, marriages, and divorces in North Carolina. The most recent DHHS data

indicates that in FY 2011-12, the Unit processed around 63,000 requests for birth certificates and 2,400 marriage certificates. Currently Vital Records charges a fee of \$24 to search for and provide one copy of a birth or marriage certificate. As mandated by G.S. 130A-93.1 (b), \$5.00 of each fee collected is deposited into the Vital Records Automation Account to automate and maintain the vital records system.

Birth Certificates: consistent with national standards to prevent identity theft and fraud, the Vital Records Unit's policy requires that an individual requesting a copy of their birth certificate must:

1. Provide a legible photocopy of identification with a photograph or, if not available, photocopies of at least two different forms of identification:
 - Temporary driver's license
 - Current utility bill with current address
 - Car registration or title with current address
 - Bank statement with current address
 - Pay stub with current address
 - Income tax return/W-2 form showing current address
 - Letter from government agency dated within the last six months and showing current address
 - State-issued concealed weapon permit showing current address, and

2. As required by the North Carolina Administrative Code (10A NCAC 41H), all persons requesting a birth certificate must provide additional identifying information, including the following, on a signed application to identify the record:
 - Registrant's full name
 - Date of birth
 - Place of birth (city or county)
 - Mother's full maiden name
 - Full name of father, if listed on the certificate

The Vital Records Unit receives and processes around 63,000 requests for birth certificates annually, approximately 30% of the unit's total workload. The Vital Records Unit's FY 2012-13 budget is \$4,063,727. For the purposes of this fiscal analysis, it is assumed that the cost to process 63,000 birth certificate requests is 30% of the unit's annual expenditures, \$1,219,118. The cost to process an individual request for a birth certificate is \$19.35.

Marriage Certificates: To obtain a marriage certificate, current VR policy stipulates that an individual requesting a copy of a marriage certificate must:

3. Provide a legible photocopy of identification with a photograph or, if not available, photocopies of at least two different forms of identification:
 - Temporary driver's license
 - Current utility bill with current address
 - Car registration or title with current address

- Bank statement with current address
 - Pay stub with current address
 - Income tax return/W-2 form showing current address
 - Letter from government agency dated within the last six months and showing current address
 - State-issued concealed weapon permit showing current address, and
4. Complete an application which provides additional identifying information including
- Full name of groom
 - Full maiden name of bride
 - Date of marriage
 - Location of marriage (city or county)

The Vital Records Unit receives and processes around 2,400 requests for marriage certificates annually, about one percent of the unit’s total workload. For the purposes of this fiscal analysis, it is assumed that the cost to process 2,400 birth certificate requests is about one percent of the unit’s annual expenditures, \$44,700. The cost to process an individual request for a marriage certificate is \$18.63.

Fiscal Research is unable to project the number of registered voters who would request a free certified copy of their birth or marriage certificate from the Vital Records Unit and the resulting fiscal impact. In FY 2011-12, approximately 65,000 of the 210,000 requests processed by the Vital Records Unit were for birth and marriage certificates. DHHS staff indicates that the Unit is currently operating at full capacity. In 2016, the year of the next presidential election, it is anticipated that due to HB 589, there could be a one-time, extraordinary increase in the number of requests submitted to Vital Records for birth and marriage certificates. The Vital Records Unit would need additional resources (staff, equipment, etc.), perhaps on a temporary basis, to accommodate the increased workload. In addition, the Vital Records Unit would incur one-time contractual costs for change orders for updating the Vital Records automated registration system (for accounting purposes) and changes to the web-based financial payment system (to allow submission and review of the declaration statements online).

County Register of Deeds Offices

The county register of deeds must also waive the fee for providing a copy of the certified birth certificate or certified marriage license to any registered voter who declares they do not have these documents. The fee is \$10 for certified copies of these documents. Fiscal Research is unable to project the number of native-born North Carolinians of voting age who would, citing no appropriate photo identification for voting, request a free copy of their birth certificate from the county registers of deeds offices.

Reimbursement for Issuance of Copies of Birth Certifications and Marriage License		
	Birth Certificates	Marriage Licenses
DHHS Vital Records Unit	\$19.35 per copy	\$18.63 per copy
County Registrars of Deeds	\$10 – current fee	\$ 10 – current fee

Note: there is no estimate available on the number of copies that may be requested or the amount that the Vital Records Unit will bill the counties for its direct costs to provide certified copies of these documents.

Section 15 – Includes making fraudulent declarations a Class 1 felony. See Incarceration Note.

Section 16 – Relates to absentee ballots. No fiscal impact.

Section 17 – The SBOE is required to disseminate information about appropriate voter photo identification through its website, to organizations that serve persons with disabilities or the elderly, and through the Voter Information and Verification Advisory Board. It is estimated that there is no fiscal impact for these activities. The costs associated with outreach is identified within Section 3. Additionally, County Boards of Elections, through its regular elections management process are required to include information educating voters about the photo identification requirement. It is assumed that the minimal costs would be borne locally.

Section 18 - Reimbursement of expenses by SBOE

The SBOE is required to reimburse the Division of Motor Vehicles for the issuance of the special identified cards to qualified individuals, State Division of Public Health, Vital Statistics Unit for providing a certified copy of a birth certificate to qualified individuals, and counties registers of deeds offices for providing a certified copy of a birth certificate or marriage license to qualified individuals. See technical considerations regarding current support structure provided by Department of Administration to SBOE.

- There is no estimate available for the number of reimbursement requests that will be received from the State agencies and 100 county register of deeds; however, it is foreseeable that SBOE will need an additional administrative staff to review claims so that they may be remitted by Department of Administration (See technical considerations).
- The position may be classified as a temporary full-time Accounting Clerk, salary grade 59 with compensation including benefits ranging from \$29,395-\$44,323 with the midpoint of \$36,859.
- See Sections 13 and 14 for the cost estimates to issue special identification cards through DMV and reimbursement amounts for certified copies of birth certificates and marriage licenses.

Section 19 - Class 1 felony information to be included on all SBOE-prepared forms

This section requires that all forms prepared by SBOE prominently contain information on the Class 1 felony regarding submitting fraudulent or false information. There is no fiscal impact.

Section 20 - SBOE recommendations about use of electronic and digital information for poll books

This section requires SBOE to review and make recommendations to the Joint Legislative Elections Oversight Committee on use of electronic and digital records. The report shall include a proposed plan for a pilot project to implement electronic pollbooks that include digital voter

photographs. The assumption is that this section's requirement will be carried out by the SBOE staff and no additional cost for the review and plan of pilot project.

Section 21- Would sever any section of the bill held invalid so that the remainder of the act would be given effect without that section. No fiscal Impact.

Section 22 - This act is only effective if the General Assembly appropriates funds in the Appropriations Act of 2013.

Between October 1, 2013 and January 1, 2016, voters who appear at polling sites to vote will be notified of the impending photo identification requirement. They will be asked if they have appropriate voter photo identification and if not they will be asked to sign an acknowledgement of the upcoming requirement and given information on how to obtain an appropriate identification. This list of names who sign this acknowledgement will become public record. This will add a requirement at polling sites, and is assumed that any minimal impact would be borne locally.

SOURCES OF DATA:

State Board of Elections, Department of Transportation, Division of Motor Vehicles, College Foundation of North Carolina, Georgia Secretary of State, Department of Health and Human Services, Research Division, NCGA

TECHNICAL CONSIDERATIONS:

The Department of Administration provides administrative support for SBOE for accounts payable/receivable. SBOE would be responsible for processing and approving the claims and DOA would actually remit payments.

FISCAL RESEARCH DIVISION: (919) 733-4910

PREPARED BY: Lisa Hollowell, Denise Thomas, Bryce Ball

APPROVED BY:

Mark Trogdon, Director
Fiscal Research Division

DATE: April 18, 2013



Signed Copy Located in the NCGA Principal Clerk's Offices