



May 2, 2011

HF 210 DE6 (Kiffmeyer et al.)

Voter picture identification required before receiving a ballot, identification cards provided at no charge, provisional ballot procedures established, election administration procedures specified, and recount procedures enacted.

Local Fiscal Impact

Net Expenditure Increase/Revenue Loss or
(Expenditure Decrease/Revenue Gain)

Dollars in Thousands, State Fiscal Years

	<u>FY 2012</u>	<u>FY 2013</u>	<u>FY 2014</u>	<u>FY 2015</u>
Statewide	\$0	\$23,347	\$5,884	\$4,038

Local Governments Participating: City of Elk River, City of Eden Prairie, City of Edina, Washington County, Hennepin County. Detailed survey responses are available upon request. Five other local units of government that were sent a survey did not return a response.

Explanation of the Bill

HF 210 DE6 makes numerous changes to election law including requiring government issued photo identification with a correct address in the polling place, eliminating the use of vouching as a mechanism for voter registration in most cases, instituting a system of provisional balloting, specifying reconciliation procedures and codifying certain recount procedures in statute.

Local Impact Analysis Methodology

To estimate the statewide local government impact of the changes included in HF 210 DE6, MMB surveyed a sampling of local governments to determine a per voter impact of the bill *if it had been current law for elections held in 2008 - 2010*. The per voter costs were then used to calculate a statewide estimated cost using statewide vote totals for 2008 – 2010. To then estimate aggregate statewide local government costs related to HF 210 DE6, MMB used population growth projections to estimate voter turnout for FY 2012 – 2015.

Local Impact Analysis of HF 210 DE6:

MMB worked with the Secretary of State’s office to identify provisions in HF 210 DE6 that could result in additional costs to local units of Government. These provisions were then used to develop a survey that was sent to selected local units of government contacts provided to MMB by the League of Minnesota Cities and the Minnesota Inter-County Association. The complete survey is included in appendix 1.

Local governments were asked to provide cost information on the following provisions in the bill:

- The costs related to electronic pollbooks¹ if a jurisdiction would make the determination that use of an electronic pollbook would be the most efficient manner in which to carry out new requirements in the bill. Costs related to pollbooks include up-front/one-time costs of procurement, maintenance, storage, insurance, pre-election testing, IT staff to trouble shoot on election day, and costs related to a written security, contingency and backup and data encryption policy and procedure for electronic pollbooks. Survey recipients were told to assume that electronic pollbooks would cost \$4,293 each (cost information provided by Secretary of State's office).
- The costs related to provisional balloting requirement included in the bill including staff and resources needed for monitoring of provisional voters and ballots, separate storage of provisional ballots, posting provisional ballot data into the Statewide Voter Registration System (SVRS), entering election day registrations for provisional voters the day after the election, access for voters to present a valid ID for 5 business days after the election, and mailing of notices to provisional voters whose ballots were not counted. Local governments were told to assume that 2% of voters would cast a provisional ballot and that 50 percent of those voters would return to have their vote counted within 5 days.²
- The costs related to extending the retention period of election materials to 36 months from 22 months.
- The costs related to absentee boards meeting every day during the balloting period.
- The costs related to hiring additional election-day judges.
- The costs related to additional training for election employees.
- The savings related to automated voter information data entry (if the jurisdiction were to decide to purchase electronic pollbooks).
- The costs for jurisdictions that would have to comply with the requirements in the bill without the use of an electronic pollbook. Jurisdictions were specifically asked to consider costs related to entering all Election Day registrations within 42 days, counting voter signatures instead of receipts and printing and checking the ineligible voter list.
- Any other costs or savings that a jurisdiction sees as resulting from the bill.
- Local governments were asked to note if a given cost would be carried by another jurisdiction.

Local governments responding to the survey were then asked to provide cost estimates for each survey question if HF 210 DE6 had been current law in 2008, 2009 and 2010. Local governments were also asked to list any start-up (one time) costs related to the bill. Table 1 below shows the aggregated costs of the local governments that responded to the survey:

¹ An electronic pollbook is defined as an electronic roster workstation used to process voter data on Election Day. When referring to an electronic pollbook in this note a computer, voter receipt printer, cables and software is included.

² To arrive at the assumption that 2% of voters would cast a provisional ballot, MMB used the following information from the Secretary of State's office:

1. In 2008, 17% of voters were election-day registrants.
2. In 2008, 28% of election-day registrants used a proof of residence other than a driver's license with their current address. Assume that the education campaign reaches 2/3 of this group, but 1/3 come to the polling place without an authorized photo ID with their current address.
3. Assume that 0.5% of pre-registered voters do not have an ID that shows their current address.

Table 1: Aggregated HF 210 DE6 Local Government Survey Responses:

	*Start up costs	2008	2009	2010
1. Number of Voters	-	1,001,116	48,209	810,958
2. Costs related to pollbook procurement, maintenance, storage, insurance and policy:	11,557,291	675,710	651,395	675,711
3. Costs related to provisional voting:	61,981	415,769	114,406	365,173
4. Costs related to additional record retention:	-	64,472	63,608	64,472
5. Costs related to absentee ballot board requirements:	-	57,420	29,220	57,420
6. Costs of hiring additional election judges:	-	52,130	13,120	52,770
6a. Costs related to employee training	55,050	20,719	4,977	21,231
7. Costs related to voter education outreach for an odd-year election:	-	-	365,488	-
8. Savings related to pollbook:	-	(271,116)	(13,464)	(125,100)
9. Costs of complying to bill without new technology:	500	53,280	23,040	53,280
10. Please list any other costs/savings	-	(7,500)	(2,500)	(7,500)
Total Costs:	\$ 11,674,822	\$ 1,060,884	\$ 1,249,290	\$ 1,157,456

Survey respondents noted the following as other costs/savings:

- Savings from eliminating need to stamp rosters for absentee voters.

Using this information in the table above, MMB then calculated a per voter cost for each year:

Table 2: HF 210 DE6 Local Government Per Voter Costs:

	2008	2009	2010
Per Voter Costs	\$ 1.06	\$ 25.91	\$ 1.43

The Secretary of State provided the following voter turnout information for 2008 – 2010:

Table 3: 2008 – 2010 Statewide Voter Turnout:

	2008	2009	2010
Voters Primary	419,474	18,492	606,394
Voters General	2,921,498	200,567	2,123,369
Total Voters	3,340,972	219,059	2,729,763

Using the above information, the costs to local governments if HF 210 DE6 had been law from 2008 – 2010 are as follows:

Table 4: Estimated HF 210 DE6 Local Government Costs (2008 – 2010):

	2008	2009	2010
Local Government Costs	\$ 3,540,432	\$ 5,676,706	\$ 3,896,109

To estimate the local government costs related to HF 210 for FY 2012 – 2015, MMB made the following assumptions for “like” election years:

- Presidential election years: 2008 and FY 2013³
- Statewide election years: 2010 and FY 2015
- Odd year/local election years: 2009 and FY 2014

Additionally MMB adjusted the above statewide costs estimate by an annual population growth factor of 0.9 percent.⁴ Using the above assumptions, the following preliminary estimates for FY 2012 – 2015 were calculated:

Table 5: Estimated HF 210 DE6 Ongoing Local Government Costs (FY 2012 – 2015):⁵

	FY 2012	FY 2013	FY 2014	FY 2015
On Going Local Government Costs	\$ -	\$ 3,669,619	\$ 5,883,842	\$ 4,038,274

Surveyed local government also provided estimates for start-up costs (see survey results on previous page) for items such as purchasing electronic pollbooks, purchase of Election Day materials, and employee training. MMB separated the costs for purchasing electronic pollbooks from other one-time costs due to the fact that while the bill does not require that local governments purchase electronic pollbooks, half of the survey respondents projected that they would purchase electronic pollbooks in order to carry out the provisions in the bill effectively.

The total one-time costs related to the procurement of electronic pollbooks was reported in the survey was \$11,557,291. Using 2008 voter data reported in the survey (1,001,116 voters) MMB calculated a one-time cost of \$11.54 per voter. To estimate a statewide impact of this provision, MMB assumed that half of the voters in the state (1,670,486) would vote in precincts using the electronic pollbooks. Using these assumptions, MMB calculated the one-time statewide local government cost related to the electronic pollbooks to be \$19,284,771.

The total one-time costs related to the other provisions in the bill totaled \$117,531, which would equal a per voter cost of \$0.12 using 2008 voter totals provided in the survey data. To then extrapolate a statewide cost MMB multiplied the per voter cost of \$0.12 by the 2008 statewide turnout of 3,340,972 for a total cost of \$392,230.

MMB then added the one-time cost of procuring electronic pollbooks (\$19,284,771) to the other one-time costs reported in the survey (\$392,230) to arrive at a total aggregated statewide one-time local government costs if HF 210 DE6 were to become law of \$19,677,001.

³ Fiscal years run July through June, thus the November 2012 election would occur during FY 2013.

⁴ Population growth calculation provided in appendix 2.

⁵ Most provisions in the bill will not be effective until FY 2013, thus there will be no local government costs in FY 2012.

Considering the above information, MMB calculated the aggregate statewide local government costs resulting from HF 210 DE6 to be:

Statewide local cost estimate of HF 210 DE6 for FY 2012 – FY 2015:

	FY 2012	FY 2013	FY 2014	FY 2015
On Going Local Government Costs	\$ -	\$ 3,669,619	\$ 5,883,842	\$ 4,038,274
One time Local Government Costs	\$ -	\$ 19,677,001	\$ -	\$ -
Total Local Government Costs	\$ -	\$ 23,346,620	\$ 5,883,842	\$ 4,038,274

Appendix 1: Local Government Survey

- 1) *In our attempt to aggregate statewide local government costs if HF 210 were to become law, we will need to examine costs on a per voter basis. For each election year listed (2008 – 2010) please list the total number of votes cast in your jurisdiction across all elections.*
 - 2) *Applicable to cities that would choose to purchase pollbooks: For this question, please include the costs of purchasing the pollbooks (\$4,293 each), plus any costs related to maintenance, insurance, storage, pre-election testing, IT staff to troubleshoot on election day and the costs related to establishing a written security, contingency and backup and data encryption policy and procedure for electronic pollbooks. If you plan to purchase electronic pollbooks please include an explanation for why you choose to purchase the pollbooks in column G.**
 - 3) *HF 210, if passed into law would allow provisional balloting if a voter is challenged or cannot present acceptable photo ID including their current address. This would require monitoring of provisional voters and ballots on election day, separate storage of provisional ballots after election day, posting of data about provisional ballots into the Statewide Voter Registration System (SVRS), entering election day registrations for provisional voters on the day after the election, access for voters to present a valid ID for 5 days after the election, and mailing of notices for provisional voters whose ballots were not counted. Please estimate the cost of additional staff, storage facilities and materials needed to administer these requirements with the following assumptions:*
 - a. *2% of voters will cast a provisional ballot*
 - b. *½ of those voters that cast a provisional ballot will return with a photo ID within 5 days to have their vote counted.*
 - c. *Provisional ballots will require separate secrecy envelopes, ballot box, transfer case and storage after the election.*
 - 4) *For this question, please estimate the costs of storing all election materials for an additional 14 months (36 months instead of 22).*
 - 5) *HF 210 would require absentee ballot boards to meet every day during the absentee balloting period. Please estimate the additional costs associated with this requirement.*
 - 6) *HF 210 may require additional election judges to be hired to manage voters casting provisional ballots, the ineligible voters list and to count signatures in the roster instead of receipts. Please estimate the cost of hiring additional election judges. If part of these costs were estimated in question 2, please exclude those costs here.*
 - 6a) *HF 210 would require additional training for election judges and municipal clerks to administer changes in election law. Please assume an additional 1 hour per election judge or municipal clerk.*
 - 7) *HF 210 would require voter education outreach to explain new ID requirements administered by local governments in any odd year election. For this question, please estimate costs associated with voter education if you expect to hold an odd year election in your jurisdiction. Please list these costs under 2009.*
 - 8) *For those choosing to purchase pollbooks, HF 210 will automate voter information data entry currently practiced by local governments. Please estimate the **savings** with this task no longer being required (show savings as a negative number).*
 - 9) *Cities that choose not to purchase pollbooks will still be expected to comply with election law changes in this bill. Please estimate the staff and supply costs related to:*
 - a. *Entering all Election Day registrations within 42 days*
 - b. *Counting voter signatures instead of receipts*
 - c. *Printing and checking ineligible voter lists*
 - 10) *Please list any other costs not identified in the questions above that you see being associated with HF 210. Please list the duties associated with these additional costs on the line below your response to this question. Please designate any savings by using a minus sign.*
- * Please show any one-time or start-up costs in column B.*
- **If the costs associated with a given question are carried out by another jurisdiction please note this in column F.*

Appendix 2: Population Growth Rates⁶

Time Period (year. Quarter)	Minnesota Total Resident Population (in Millions)	Growth Rate (year/year)
1990.4	4.409	
1991.4	4.461	1.2%
1992.4	4.517	1.3%
1993.4	4.577	1.3%
1994.4	4.630	1.1%
1995.4	4.679	1.1%
1996.4	4.732	1.1%
1997.4	4.782	1.1%
1998.4	4.834	1.1%
1999.4	4.896	1.3%
2000.4	4.954	1.2%
2001.4	4.998	0.9%
2002.4	5.030	0.6%
2003.4	5.059	0.6%
2004.4	5.090	0.6%
2005.4	5.120	0.6%
2006.4	5.164	0.9%
2007.4	5.207	0.8%
2008.4	5.245	0.7%
2009.4	5.281	0.7%
2010.4	5.322	0.8%
Average Annual Growth		0.9%

⁶ Data provided by MMB economic analysis division and the State Demographer's office.