

2009 Regular Legislative Session
FISCAL ANALYSIS OF PROPOSED LEGISLATION
Prepared by the Oregon Legislative Fiscal Office

MEASURE NUMBER: HB 2386

STATUS: B-Engrossed

SUBJECT: Electronic voter registration system

GOVERNMENT UNIT AFFECTED: Secretary of State, Oregon Department of Transportation

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DATE: May 18, 2009

EXPENDITURES:	<u>2009-2011</u>	<u>2011-2013</u>
Secretary of State – Federal Funds	\$217,000	\$22,000

EFFECTIVE DATE:

LOCAL GOVERNMENT MANDATE: This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

ANALYSIS: The measure directs the Secretary of State (SOS) to adopt an electronic voter registration system to be used by people who have a valid Oregon driver license, Oregon driver permit, or state identification card. The bill directs the Oregon Department of Transportation (ODOT) to give SOS digital copies of driver's license, driver permit, or state identification card signatures for every person who completes the registration. The measure also allows SOS and ODOT to take necessary actions before March 1, 2010 to comply with the provisions of the bill.

The Secretary of State reports that it will use federal funding from the Help America Vote Act (HAVA) to develop, implement, and maintain this system. The HAVA funds were appropriated to states with the intention that states upgrade many aspects of their election procedures, including registration processes. The specifics of implementation have been left up to each state, which allows for varying interpretations of the Federal law.

The Secretary reports that it requires a contract with an outside entity to develop the technical program/system that will allow people to register to vote online. According to the Secretary, the development and implementation of this online voter registration system will cost \$200,000 Federal Funds. In addition to the start-up costs, the Secretary reports that it would incur an expense of \$17,000 Federal Funds in payments to the Department of Motor Vehicles (DMV) for DMV's development of a system that could transfer the electronic signatures to SOS. The total expense to the Secretary to develop and implement this program would be \$217,000 Federal Funds for the 2009-11 biennium. The Secretary estimates that it would cost a total of \$22,000 Federal Funds to maintain this program through the 2011-13 biennium. This breaks down into \$10,000 in system maintenance costs and \$12,000 to obtain signature files from DMV. The Secretary bases these estimates on the implementation by the State of Washington of a similar online voter registration program. Until the Secretary puts the contract for the program out to bid, the exact costs are unknown.

The Secretary reports that the state's plan adopted under the Help America Vote Act (HAVA) and the 2009-11 budget for federal HAVA funds can accommodate the processes proposed by HB 2386. The Legislative Fiscal Office (LFO) notes that the appropriation of the HAVA funds by the federal

government to the Secretary was one-time. There may be additional federal funding for programs that encourage voter participation, including registration processes, but it is not known if or when that would occur. Use of a portion of the HAVA funds on the implementation of this electronic voter registration system by the Secretary will reduce the balance of the one-time HAVA funds. If this measure is enacted, the Secretary will have to prioritize this program and potentially delay other ongoing projects.

There is a minimal fiscal impact to the Department of Transportation (ODOT) to provide the digital signatures to the Secretary.