FULL COMMITTEE PONY

HB 3521 Relating to elections

House Bill 3521 requires designated voter registration agencies to share information digitally with the Secretary of State's office. The required information includes the voter's age, residence, citizenship data, and copies of signatures. The Secretary of State will use this information to register voters, and to maintain up-to-date voter rolls. The bill would allow for the voter registration of individuals in the Department of Motor Vehicle (DMV) database who meet voter eligibility requirements if the individual chooses not to opt out. Individuals registered via this method will be registered as unaffiliated voters. The bill directs the Secretary of State to send notices, including postage paid returns, to each eligible person describing how to opt out of registration, or how to select a political party if they choose.

The bill includes a limitation of \$300,000 Federal Funds for the 2013-15 biennium for the Secretary of State to carry out the provisions of this bill. This amount is anticipated to cover the one-time cost of modifying DMV systems and the Oregon Centralized Voter Registration database; as well as the cost of producing, printing, mailing and processing initial notices to approximately 500,000 eligible individuals informing them how to opt out of registration or select a political party. Also included in this amount is the cost of return postage for the opt-out mailing. The Secretary anticipates using federal Help America Vote Act (HAVA) funds to carry out the provisions of this bill.

Your General Government Subcommittee recommends HB 3521 be amended and reported out "do pass" as amended.

77th OREGON LEGISLATIVE ASSEMBLY – 2013 Session MEASURE: HB 3521-B BUDGET REPORT AND MEASURE SUMMARY Carrier – House: Rep. Rosenbaum JOINT COMMITTEE ON WAYS AND MEANS Carrier – House: Sen. Steiner Hayward Action: Do Pass the A-Engrossed Measure as Amended and be Printed B-Engrossed HB 3521-B

Actor. Do I assure A-Lingrossed Measure as Amended and be I finded

| volc. | |
|---------------|--|
| House | |
| Yeas: | |
| Nays: | |
| Exc: | |
| <u>Senate</u> | |
| Yeas: | |
| Nays: | |
| Exc: | |
| Prepared By: | George Naughton, Department of Administrative Services |
| r reparcu Dy. | George Maughton, Department of Administrative Services |
| | |

Reviewed By: Kim To, Legislative Fiscal Office

Meeting Date: June 21, 2013

Agency

Vote:

Secretary of State

Biennium 2013-15

Budget Summary*

| | | egislatively Budget ⁽¹⁾ | rrent Service evel | 5 Committee nmendation | Committee Change from 2011-13 Leg. Approved | | | | |
|--|------|---------------------------------------|-----------------------|---------------------------|--|---------|----------|--|--|
| | | | | | \$ (| Change | % Change | | |
| Federal Funds | \$ | 0 | \$ 0 | \$ 300,000 | \$ | 300,000 | 0.0% | | |
| Total | \$ | 0 | \$ 0 | \$ 300,000 | \$ | 300,000 | 0.0% | | |
| Position Summary | | | | | | | | | |
| Authorized Positions | | 0 | 0 | 0 | | 0 | | | |
| Full-time Equivalent (FTE) positions | | 0.00 | 0.00 | 0.00 | | 0.00 | | | |
| ⁽¹⁾ Includes adjustments through December 2 | 2012 | | | | | | | | |
| * Excludes Capital Construction expenditures | 8 | | | | | | | | |
| Summary of Revenue Change | 2S | | | | | | | | |

The Secretary anticipates using federal Help America Vote Act (HAVA) funds to carry out the provisions of this bill. Because the agency will receive no additional HAVA funds, the bill reduces the amount of Federal Funds that are otherwise available to support Elections Division expenditures. All HAVA funds are projected to be exhausted by the end of the 2015-17 biennium.

Summary of General Government Subcommittee Action

House Bill 3521 requires designated voter registration agencies to share information digitally with the Secretary of State's office. The required information includes the voter's age, residence, citizenship data, and copies of signatures as maintained by the agency. The Secretary of State will use this information to register voters and maintain up-to-date voter rolls unless the eligible voter chooses to opt out. The bill directs the Secretary of State to send notices, including postage paid returns, to each eligible person describing how to opt out of registration and how to select a political party if they choose. The bill includes an emergency clause, but does not require implementation until January 1, 2014.

The Secretary of State estimates the fiscal impact to the Elections Division of this bill to be roughly \$300,000 Federal Funds for the 2013-15 biennium. This estimate includes the one-time cost of developing additional functionality within the Oregon Centralized Voter Registration database (OCVR), and the cost of producing, printing, mailing and processing notices to approximately 500,000 eligible individuals informing them how to opt out of registration or select a political party. The estimates mentioned above also include the cost of return postage for the opt-out mailing. The bill is projected to cost the agency \$250,000 in the 2013-15 biennium, excluding return postage costs. The \$300,000 figure is based on roughly 1/3 of the eligible voters choosing to opt out; however, the proportion of eligible voters who will exercise this option is

uncertain. The Secretary of State projects that the office will need to notify approximately 100,000 eligible individuals each biennium in subsequent biennia.

The bill provides for the voter registration of individuals in the Department of Motor Vehicle (DMV) database who meet voter eligibility requirements if the individual chooses not to opt out. Individuals registered via this method will be registered as unaffiliated voters. Implementing this bill will have a minimal impact on the Department of Transportation. Under the bill, ODOT's Department of Motor Vehicles will need to modify its data systems in order to extract and transfer the data required by this bill to the Secretary of State. Although ODOT anticipates using existing staff to perform this work, the costs of implementing the bill are not a permissible use of State Highway Funds. ODOT estimates this startup cost to be approximately \$26,750. This amount is included in the Secretary of State's fiscal impact estimate above.

Summary of Performance Measure Action

As a new program, there are no established performance measures for this bill.

DETAIL OF JOINT COMMITTEE ON WAYS AND MEANS ACTION

HB 3521-B

Secretary of State

George Naughton - 503-378-5460

| | | | | | | OTHER FUNDS | | | | FEDER/ | AL F | UNDS | | TOTAL | | |
|--|----|-----------------|----------|------------------|----|--------------|----|--------------|----------|--------------|----------|--------------|----------|--------------|--------|--------------|
| DESCRIPTION | | GENERAL FUND | | LOTTERY FUNDS | | LIMITED | | NONLIMITED | | LIMITED | | NONLIMITED | | ALL FUNDS | POS | FTE |
| 2011-13 Legislatively Approved Budget at Dec 2012 2013-15 ORBITS printed Current Service Level (CSL | | 0 0 | \$ \$ | 0 0 | | | | | \$ \$ | 0 0 | \$ \$ | | \$ \$ | 0 0 | 0 0 | 0.00 0.00 |
| SUBCOMMITTEE ADJUSTMENTS (from CSL) SCR 002 - Elections Division SB 3521: Qualified Designated Voter Registration Services and Supplies | \$ | 0 | | | \$ | 0 | \$ | \$0 | \$ | 300,000 | \$ | 0 | \$ | 300,000 | | |
| TOTAL ADJUSTMENTS | \$ | 0 | \$ | 0 | \$ | 0 | \$ | \$ 0 | \$ | 300,000 | \$ | 0 | \$ | 300,000 | 0 | 0.00 |
| SUBCOMMITTEE RECOMMENDATION * | \$ | 0 | \$ | 0 | \$ | 0 | \$ | \$0 | \$ | 300,000 | \$ | 0 | \$ | 300,000 | 0 | 0.00 |
| % Change from 2011-13 Leg Approved Budget % Change from 2013-15 Current Service Level | | 0.0% 0.0% | | 0.0% 0.0% | | 0.0% 0.0% | | 0.0% 0.0% | | 0.0% 0.0% | | 0.0% 0.0% | | 0.0% 0.0% | | |

*Excludes Capital Construction Expenditures

HB 3521-A10 (LC 3940) 6/17/13 (DRG/ps)

PROPOSED AMENDMENTS TO A-ENGROSSED HOUSE BILL 3521

1 On <u>page 1</u> of the printed A-engrossed bill, line 3, after the semicolon in-2 sert "limiting expenditures;".

3 On page 5, after line 24, insert:

"SECTION 11. Notwithstanding any other law limiting expenditures,
the amount of \$300,000 is established for the biennium beginning July
1, 2013, as the maximum limit for payment of expenses for administration of the provisions of this 2013 Act from federal funds collected
or received by the Secretary of State.".
In line 25, delete "11" and insert "12".

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