

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 114** HLS 24RS 40
 Bill Text Version: **REENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 11, 2024 11:51 AM	Author: FARNUM
Dept./Agy.: Department of State	
Subject: Annual Canvass/Address Confirmation Notice	Analyst: Kimberly Fruge

VOTING/REGISTRATION RE +\$336,108 GF EX See Note Page 1 of 1
 Provides for a supplemental annual canvass of registered voters

Proposed law requires the Department of State (DOS) to send, along with the annual canvass, an address confirmation notice to the following individuals: (1) registrants whose name did not appear with correct addresses provided by the US post office; and (2) registrants who failed to engage in certain election related activities in the past 10 years, and transfer the registrant to the inactive list of voters.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$336,108	INCREASE	INCREASE	INCREASE	INCREASE	\$336,108
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$336,108					\$336,108
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will result in an SGF expenditure increase of \$336,108 in FY 25 as well as a potential expenditure increase of \$28,411 in FY 26 and subsequent fiscal years. Since the costs for address confirmation notices are minimal in subsequent fiscal years, the SOS has indicated that any expenditure increase can likely be accomplished by utilizing existing resources. Proposed law requires the Department of State (DOS) to send an address confirmation notice to the following: (1) registrants whose name did not appear with correct addresses provided by the US post office; and (2) registrants who failed to engage in certain election related activities in the past 10 years, and transfer the registrant to the inactive list of voters.

To implement proposed law, the department anticipates one-time expenditures of \$52,000 (520 hours x \$100 per hour) for IT program development changes within the Election Registration and Information Network (ERIN) system.

Based upon recent canvass lists, approximately 183,000 registrants would be sent an address confirmation notice in FY 25 under this measure. Currently address confirmation notices cost \$0.99 each to print and mail. The estimated cost to mail address confirmation notices is \$181,170 (183,000 cards x \$0.99). The proposed law requires business reply mail and prepaid return postage that costs \$0.75 per card (\$0.63 business reply/forward and \$0.12 return postage). Assuming 75% of registrants return their address confirmation notice, the estimated cost is \$102,938 (75% of 183,000 X \$0.75). However, to the extent the percentage of registrants that return their address confirmation notice increases or decreases, the costs associated with return postage under this measure would increase or decrease accordingly.

Proposed Law Expenditures in FY 25

IT Programming (one-time expenditure)	\$ 52,000
Mail Out Postage Address Confirmation Notices	\$ 181,170
Return Postage Address Confirmation Notice	<u>\$ 102,938</u>
Total	\$336,108

To continue implementing the proposed law in subsequent fiscal years, the department anticipates 10% of the original 183,000 registrants will be sent address confirmation notices. The estimated cost to mail address confirmation notices is \$18,117 (10% of 183,000 x \$0.99 per card). Assuming 75% of registrants return their confirmation notice, the estimated cost is \$10,294 (75% x 18,300 x \$0.75). However, to the extent the percentage of registrants that return their address confirmation notice increases or decreases, the costs associated with return postage under this measure would increase or decrease accordingly.

REVENUE EXPLANATION

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Patrice Thomas
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