



**LEGISLATIVE FISCAL OFFICE
Fiscal Note**

Fiscal Note On: **HB 138** HLS 21RS 677
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 19, 2021 6:27 PM	Author: FARNUM
Dept./Agy.: Secretary of State	Analyst: Patrice Thomas
Subject: Supplemental Annual Canvass, Address Confirmation Card	

VOTING/REGISTRATION OR +\$215,125 GF EX See Note Page 1 of 1
 Provides for a supplemental annual canvass of registered voters

Proposed law requires the Secretary of State (SOS) to conduct a supplemental annual canvass of the following voters: (1) voters whose addresses were not verified or corrected and who were not sent an address confirmation card during annual canvass; (2) voters who have not voted in 10 years; and (3) voters failed to engage in certain activity in the past 10 years. Proposed law requires the SOS to send these voters a prepaid postage and pre-addressed "supplemental address confirmation card" by forwardable mail, which has been reviewed by House Governmental Affairs and Senate Governmental Affairs committees. Proposed law requires voters who are sent confirmation cards be placed on the inactive list of voters until voters confirm their address is correct. Proposed law provides for cancellation of voter's registration after two Federal general elections if a voter fails to respond to confirmation card. Proposed law provides confirmation cards be retained for 2 years and open to inspection. Proposed law requires bi-annual publication of inactive voters in newspapers. Proposed law is effective 4/01/2022.

EXPENDITURES	2021-22	2022-23	2023-24	2024-25	2025-26	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$215,125	SEE BELOW	SEE BELOW	SEE BELOW	\$215,125
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$215,125				\$215,125

REVENUES	2021-22	2022-23	2023-24	2024-25	2025-26	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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

Proposed law will result in a SGF expenditure increase of \$215,125 in FY 23 as well as recurring expenditure increase of \$16,313 SGF in FY 24 and subsequent fiscal years. Proposed law requires the Secretary of State (SOS) to conduct a supplemental annual canvass by sending out supplemental address confirmation cards to the following voters: (1) voters whose addresses were not verified or corrected and who were not sent an address confirmation card during the annual canvass; (2) voters who have not voted in 10 years; and (3) voters who failed to engage in certain activity in the past 10 years.

To implement the proposed law, the SOS anticipates one-time expenditures of \$52,000 for IT program development changes within the Election Registration and Information Network (ERIN) system (520 programming hours x \$100 per hour). IT programming development changes may take up to 7 months to complete. Based upon recent canvass lists, approximately 150,000 voters would be sent supplemental address confirmation cards in FY 23 under this measure. Currently, address confirmation cards cost \$0.39 each to print and mail. The estimated cost to mail supplemental address confirmation cards is \$58,500 (150,000 cards x \$0.39). The proposed law requires business reply mail and prepaid return postage that cost \$0.93 per card (\$0.65 business reply/forward and \$0.36 return postage). Assuming 75% of voters return their confirmation card, the estimated cost is \$104,625 (75% of 150,000 x \$0.93). However, to the extent, the percentage of voters that return their confirmation cards increases, the costs associated with return postage under this measure would be higher.

Proposed Law Expenditures in FY 2023

IT Programming (one-time expenditures)	\$52,000
Mail Out Postage Confirmation Cards	\$58,500
Return Postage Confirmation Cards	<u>\$104,625</u>
Total	\$215,125

To continue implementing the proposed law in subsequent fiscal years, the SOS anticipates 10% of the original 150,000 voters will be sent supplemental address confirmation cards. The estimated cost to mail supplemental address confirmation cards is \$5,850 (10% of 150,000 x \$0.39). Assuming 75% of voters return their confirmation card, the estimated costs is \$10,463 (75% of 15,000 x \$0.93). However, to the extent, the percentage of voters that return their confirmation cards increases, the costs associated with return postage under this measure would be higher. Since the costs for supplemental address confirmation cards is minimal in subsequent fiscal years, the SOS has indicated that expenditure can likely accomplished by utilizing existing resources.

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}

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