

**STATE and LOCAL
FISCAL IMPACT**

Drafting Number: LLS 15-1049
Prime Sponsor(s): Sen. Woods; Lundberg

Date: April 27, 2015
Bill Status: Senate SVMA
Fiscal Analyst: Lauren Schreier (303-866-3523)

BILL TOPIC: PROMOTE ACCURACY VOTER REGISTRATION INFO

Fiscal Impact Summary*	FY 2015-2016	FY 2016-2017
State Revenue	Potential increase.	
State Expenditures	<u>\$150,000</u>	
Cash Funds	\$150,000	
FTE Position Change		
TABOR Set Aside	Potential increase.	
Appropriation Required: \$150,000 - Department of State Cash Fund (FY 2015-16).		

* This summary shows changes from current law under the bill for each fiscal year.

This fiscal note should be considered preliminary. It will be updated if additional information becomes available.

Summary of Legislation

To the extent permitted by interstate compacts providing access between states to voter registration information, beginning February 1, 2016, and not later than February 1 each year thereafter, the Secretary of State must check the voter registration information of each elector whose name appears in the statewide voter registration system against the most recent information maintained for any elector:

- in the national change of address database administered by the United States Postal Service; and
- in the database of the Division of Motor Vehicles in the Colorado Department of Revenue (DOR).

If the Secretary of State uncovers any discrepancy between a registered elector's information in the statewide voter registration system and the national change of address database or the motor vehicle database, or if the elector's name does not appear in either database, the Secretary of State must share information about the discrepancy to the appropriate county clerk and recorder.

County clerks and recorders who are notified of potential discrepancies must notify the registered elector with a letter requiring the registered elector to verify their identity with proper government-issued identification. If a registered elector does not respond to the letter or fails to provide proper identification, the registered elector will be marked as "inactive". In addition, county clerks and recorders may cancel the voter registration of any such inactive elector who fails to vote in two consecutive general elections. By May 1, 2016, and each May 1 thereafter, county clerks and recorders must submit a report to the Secretary of State summarizing compliance.

By September 1, 2016, and each September 1 thereafter, the bill requires the Secretary of State to submit a report to the General Assembly summarizing their compliance in meeting the requirements of the bill. The report will include information provided by county clerks and recorders and any recommendations to improve the accuracy and reliability of information in the statewide voter registration system.

State Revenue

To the extent that the bill increases costs in the Department of State, business filing and other fees to the Department of State Cash Fund may need to be increased if sufficient funds are not available to cover the costs of the bill. The fee schedule for business filings and other services is set at the discretion of the Secretary of State; thus, the specific fees that may be adjusted or the potential amount of any potential fee increases cannot be estimated at this time.

TABOR Set Aside

This bill may increase state revenue to the Department of State Cash Fund, which will increase the amount required to be refunded under TABOR. TABOR refunds are paid from the General Fund.

State Expenditures

The bill increases expenditures in some state agencies, as described below.

Department of State. The bill requires the Secretary of State to create a new framework for verifying the accuracy of voter registration information. In FY 2015-16, the bill increases expenditures for the Secretary of State's Office by \$150,000. The Secretary of State will incur programming costs to check the information specified in the bill and disseminate the information to county clerks and recorders. These one-time programming costs will allow the Secretary of State to comply with the data accuracy requirements of the bill. The bill also permits the Secretary of State to conduct voter registration information checks via interstate compacts. At the writing of this fiscal note, no such interstate compacts exist.

Department of Revenue. Under the bill, the Department of Revenue (DOR) will provide the Secretary of State with access to the Division of Motor Vehicles registration database. This will require coordination with the Secretary of State's office and will increase workload in the DOR by a minimal amount but does not require new appropriations.

Local Government Impact

The bill will increase costs for counties in a few ways. First, by requiring county clerks and recorders to send letters to any registered electors where a potential discrepancy was found, county clerks may incur substantial costs related to postage, processing, mailing, and verifying voter registration accuracy. Secondly, county clerks and recorders must also submit voter registration information each May to the Secretary of State. This will increase workload by a minimal amount for county clerks and recorders.

Effective Date

The bill takes effect August 5, 2015, if the General Assembly adjourns on May 6, 2015, as scheduled, and no referendum petition is filed.

State Appropriations

In FY 2015-16, the bill requires an appropriation of \$150,000 from the Department of State Cash Fund to the Department of State.

State and Local Government Contacts

Secretary of State

Revenue

County Clerks and Recordors