

TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



**FISCAL NOTE**

**SB 998 - HB 1210**

February 18, 2019

**SUMMARY OF BILL:** Requires eligible individuals applying for or renewing a driver license or photo identification to be automatically registered to vote, unless the person declines registration by checking a box indicating their refusal. Requires county election commissions, upon receiving a completed voter registration, to notify the individual that if they wish to decline the registration, they must notify the county election commission within 21 days. For purposes of carrying out administrative duties to implement this legislation, the effective date is upon becoming law; for all other purposes, the effective date is January 1, 2020.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures – \$775,000/FY19-20**

**Increase Local Expenditures –**

**Exceeds \$500,800/FY19-20\***

**Exceeds \$901,500/FY20-21 and Every Two Years Thereafter\***

**Exceeds \$701,500/FY21-22 and Every Two Years Thereafter\***

Assumptions:

- Pursuant to Tenn. Code Ann. § 2-2-201, the Department of Safety (DOS) includes a voter registration application as part of any motor vehicle driver or photo identification license application, and such applications offer individuals the option to decline to register to vote.
- The proposed language would automatically register any person applying for a motor vehicle driver or photo identification license to vote, unless they indicate otherwise utilizing a box on the application stating, "IF YOU DO NOT CHECK THIS BOX, AND IT IS DETERMINED THAT YOU ARE ELIGIBLE TO VOTE, YOU WILL BE REGISTERED TO VOTE USING THE INFORMATION PROVIDED IN THIS APPLICATION."
- Currently, there is no additional room to add the required statement to the printed driver license application form.
- Based on information provided by DOS, to replace the driver license applications outside of the normal order cycle will result in a one-time increase in state expenditures estimated to be \$225,000.

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- According to information provided by DOS, and confirmed by the third-party contract vendor responsible for the driver license system, the cost to perform a system modification to integrate voter registration of driver license duplicates and renewals and changes of addresses at kiosks and electronic tablets is estimated to result in a one-time state expenditure of \$275,000.
- Under current law, pursuant to Tenn. Code Ann. § 2-2-201, the DOS is required to provide voter registration applications to county election commissions. Under the provisions of this legislation, DOS is authorized to continue providing these electronically; as a result, there will not be a significant increase in state expenditures for providing such notifications to county election commissions.
- Based on information provided by the Division of Elections, updates to the voter registration database will be required in order to account for persons registered who have 21 days to decline registration. Such updates are estimated to result in a one-time increase in state expenditures of \$275,000.
- The total one-time increase in state expenditures under this legislation is estimated to be \$775,000, all being incurred in FY19-20 (\$225,000 in printed applications + \$275,000 in the driver license system modifications + \$275,000 in voter registration database updates).
- The proposed language would require county election commissions to notify all automatically registered individuals by certified mail, return receipt requested, that they have 21 days to notify the county election commission of their wish to decline to be registered.
- County election commissions will require additional postage and printing costs associated with the newly-required notifications.
- Approximately 1,857,432 transactions were completed by the Drivers Services Division within the DOS in FY16-17.
- The number of transactions is assumed to remain constant and approximately 50 percent of DOS applicants for services are currently unregistered voters each fiscal year; therefore, it is estimated that there could be approximately 928,716 new voter registrations under this legislation each year (1,857,432 transactions x 50%).
- Based on figures from Oregon, the first state to implement similar legislation, it can be expected that approximately 10 percent, or 92,872 (928,716 transactions x 10%), of these transactions will decline to be registered. Therefore, it can be anticipated that county election commissions will be required to mail at least 835,844 (928,716 – 92,872) notifications.
- The most common Tennessee driver license is valid for eight years. Taking that into consideration, as well as population growth, new persons reaching the legal minimum age to vote, and that registered people are purged from the voter registry if they remain on inactive status for two election cycles, it can be estimated that the total notifications will not significantly decrease.
- The mandatory recurring increase in local expenditures for mailing notifications is estimated to exceed \$501,506 [835,844 transactions x (\$0.55 postage + \$0.05 envelope and printing cost per notification)].
- Given the proposed effective date for this legislation, and from January 1, 2020 to June 30, 2020, there will be a mandatory increase in local expenditures for mailing

notifications by certified mail, return receipt requested, estimated to exceed \$250,753 (\$501,506 each fiscal year x 50% half fiscal year).

- Persons automatically registered will have 21 days to decline such registration, and the period for which they will be authorized to decline will overlap with the early voting period.
- In order to process voter registrations, which will occur during the early voting period, county election officers will require additional staff, supplies, computers, and workstations.
- Based on a survey of county election commissions conducted by the Division of Elections, the recurring mandatory increase in local expenditures is estimated to exceed \$200,000 per early voting period for additional staff and supplies and a one-time increase in mandatory local government expenditures exceeding \$50,000 for computers and workstations.
- In the period of January 1, 2020 through June 30, 2020, there will be one early voting period.
- In FY19-20, there will be a mandatory increase in local expenditures exceeding \$500,753 (\$250,573 mailing + \$50,000 in computers and workstations + \$200,000 per early voting period).
- In FY20-21 and every two years thereafter, there will be a mandatory increase in local expenditures exceeding \$901,506 [(\$200,000 per early voting period x 2 election cycles) + \$501,506 mailing].
- In FY21-22 and every two years thereafter, there will be a mandatory increase in local expenditures exceeding \$701,506 (\$200,000 per early voting period + \$501,506 mailing).

\*Article II, Section 24 of the Tennessee Constitution provides that: *no law of general application shall impose increased expenditure requirements on cities or counties unless the General Assembly shall provide that the state share in the cost.*

## **CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



Krista Lee Carsner, Executive Director

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