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FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/17
 LAST UPDATED 3/16/17

SPONSOR Roybal Caballero HB 28/aHLELC/aSRC

SHORT TITLE Driver's License Automatic Voter Registration SB _____

ANALYST Esquibel

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$5.0	\$0.5	\$6.5	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Secretary of State's Office (SOS)

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of SRC Amendments

The Senate Rules Committee (SRC) amendments to House Bill 28 as amended strike the House Local Government, Elections, Land Grants and Cultural Affairs Committee's (HLELC) second amendment and add a new Section 1 and Section 2 to House Bill 28. The SRC amendments would require the Motor Vehicle Division (MVD) to electronically pose to qualified electors an opt-in question about voter registration when applying for or renewing a driver's license or state identification card. The qualified elector could also update their voter registration information during this process, and any voter registrations or updates must be electronically transmitted from MVD to the Secretary of State's Office (SOS) within 24 hours. Additionally, the SRC amendments require MVD provide to SOS an audit log of all the qualified electors' responses. The amendments also propose a change to Section 1-7-2 of the election code requiring the MVD to update the political party list used by the electronic system at MVD within 45 days of being notified of party disqualifications by the SOS.

The SRC amendments also add a new Section 1.F. stipulating a new voter registration completed pursuant to Section 1 of the bill shall be canceled by the county clerk if the Secretary of State is notified by MVD that the U.S. Postal Service has returned the voter's permanent license or identification card as undeliverable.

Synopsis of HLELC Amendments

The House Local Government, Elections, Land Grants and Cultural Affairs Committee amendments to House Bill 28 create a new Section 1 and add a new Section 2 to House Bill 28. The amendments would require the Motor Vehicle Division (MVD) to electronically pose to qualified electors an opt-in question about voter registration when applying for or renewing a driver's license or state identification card. The qualified elector could also update their voter registration information during this process, and any voter registrations or updates must be electronically transmitted from MVD to the Secretary of State's Office (SOS) within 24 hours. Additionally, the HLELC amendments require MVD provide to SOS an audit log of all the qualified electors' responses. The amendments also propose a change to Section 1-7-2 of the election code requiring the MVD to update the political party list used by the electronic system at MVD within 45 days of being notified of party disqualifications by the SOS.

Synopsis of Original Bill

House Bill 28 (HB28) proposes to add a new section to the Election Code requiring the Secretary of State (SOS) to establish a rule with the Motor Vehicle Division (MVD) to provide electronic records for all people who have a driver's license or identification card for the purpose of automatically registering qualified electors to vote if they are not already registered. The electronic records are to contain the legal name, birth date, resident address, social security number, citizenship status and electronic signature of each person who has that information on file with MVD. Once the records are received by the SOS, they would be provided to the county clerk who would notify the person how to decline to register to vote and how to select a party affiliation. If the person fails to decline within 21 days of notification, then the person's electronic record would constitute a completed voter registration.

FISCAL IMPLICATIONS

The Secretary of State's Office indicates to comply with the proposed legislation, the current data exchange interface between the MVD and the SOS would need to be modified; however, these changes are expected to be minimal and would require the efforts of MVD, SOS, and vendor assistance.

Additionally, the statewide voter registration system would need some modification in order to generate the required notifications. The estimated vendor costs for the SOS are estimated at \$5,000.

Both SOS and TRD IT systems and interfaces would require annual maintenance and upgrades which is typically approximately 10 percent of initial system costs.

PERFORMANCE IMPLICATIONS

TRD reports MVD currently sends hard copy information from every transaction to the Secretary of State's Office (SOS). Electronic transfer of information would be more efficient and effective for MVD and eliminate customer complaints from applicants who have completed a voter registration at an MVD office but are not reflected as a registered voter.

ADMINISTRATIVE IMPLICATIONS

The Secretary of State's Office reports there is currently a requirement in Section 1-4-5.2 NMSA 1978 that requires the MVD to offer anyone applying for a driver's license the opportunity to register to vote or update their voter registration information. This process has been greatly improved since the implementation of the Tapestry information technology (IT) system in May 2015 and all records are transmitted electronically for those individuals who affirm that they are interested in registering to vote.

Under the current process, if a person affirms that they would like to register, MVD provides a keypad/signature pad that allows the customer to complete the remaining questions on the voter registration form that are not already gathered as part of the driver's license issuance process. These questions include having the customer choose a party affiliation, interest in becoming a poll worker, and information on prior registrations in other jurisdictions that should be cancelled.

OTHER SUBSTANTIVE ISSUES

TRD notes U.S. district courts select individuals for jury duty based on their voter registration. As the proposed bill would put the onus on the individual to decline the registration, this could result in a delay in their participation in the jury duty process if there was any breakdown in the proposed process for declining after contact by the county clerk. Additionally, a breakdown in the process could lead to individuals who wish to be registered to vote being listed as having "declined to state a political party preference" against their actual choice.

RAE/jle/sb