



# Ohio Legislative Service Commission

*Terry Steele*

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## Fiscal Note & Local Impact Statement

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**Bill:** S.B. 63 of the 131st G.A.

**Date:** May 24, 2016

**Status:** As Passed by the House

**Sponsor:** Sen. LaRose

**Local Impact Statement Procedure Required:** No

**Contents:** Requires the Secretary of State to establish a secure online process for voter registration and makes other related changes

### State Fiscal Highlights

- The Secretary of State will incur some new IT costs for adding the online voter registration feature to the current Statewide Voter Registration Database. The database is maintained in-house. These costs are paid from GRF appropriation item 050321, Operating Expenses.
- The Secretary of State, along with the Bureau of Motor Vehicles, would be responsible for verifying any online voter registration requests. A March 2010 report by the Pew Center for the States about online systems in Arizona and Washington estimated that the cost of processing paper registrations was 83 cents versus approximately three cents for online registration requests.
- The bill requires the Department of Health, Bureau of Motor Vehicles, Department of Job and Family Services, Department of Medicaid, and the Department of Rehabilitation and Correction to provide information and data to the Secretary of State at the end of each month to keep voter registration data up to date. Because the Secretary of State's Office has been developing a system to share this data and information already, any additional costs associated with this requirement would likely be minimal.
- The bill requires the Secretary of State to conduct a review of the voter registration database to determine the citizenship status of any individuals that indicated they are not citizens to the Bureau of Motor Vehicles. After these individuals are notified, and if they do not confirm citizenship or cancel their voter registration, these situations would be referred to the Attorney General for potential prosecution.
- The bill specifies that certain voting machines and tabulating equipment used in the state meet certain standards adopted by the Federal Elections Commission (FEC) in 2002 or the voluntary voting system guidelines most recently adopted by the Federal Election Assistance Commission (FEAC).

## Local Fiscal Highlights

- The bill may reduce voter registration processing costs for county boards of elections, which must currently process voter registration applications in paper form.
  - Ultimately, any savings would (1) depend on the number of additional applications that would be received electronically versus in paper form, and (2) the extent of any costs boards of elections would incur for notifying applicants that information they have supplied on their online voter applications cannot be confirmed with Bureau of Motor Vehicles records.
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## Detailed Fiscal Analysis

### Overview

The bill requires the Secretary of State, by rule, to establish a secure online process for voter registration that allows an applicant who possesses a current and valid Ohio driver's license or identification card to submit an application to register to vote or to update the applicant's name, address, or both. The bill also requires the Secretary of State to obtain an electronic copy of the applicant's signature that is on file with the Bureau of Motor Vehicles, to be used as the applicant's signature on voter registration records. The bill also requires data sharing between various state agencies and the Secretary of State in order to maintain and update voter registration data. Currently, there are 20 states that have implemented online voter registration and another seven states have passed legislation to begin full online voter registrations, but have yet to implement it.<sup>1</sup>

The Secretary of State could incur some new IT costs for adding the online voter registration feature to the current Statewide Voter Registration Database and for complying with the data-sharing requirements. The database is maintained in-house. These costs are paid from GRF appropriation item 050321, Operating Expenses, which is appropriated \$2.1 million in both FY 2016 and FY 2017 under H.B. 64, the pending main operating budget bill. It is also possible that voter registration processing costs for county boards of elections will be reduced. The fiscal effects of the bill are described in more detail below.

### Online voter registration applications

As noted above, the bill requires the Secretary of State to establish a secure online process for voter registration. The bill specifies that the applicant must provide specific information, must be qualified to register to vote, and must attest to the truth and accuracy of the information submitted in the application under penalty of election

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<sup>1</sup> <http://www.ncsl.org/research/elections-and-campaigns/electronic-or-online-voter-registration.aspx>.

falsification, the penalty for which is a felony of the fifth degree, punishable by six to 12 months in prison and a fine of up to \$2,500. Under the bill, when an individual uses the online system to register to vote, or to update the individual's registration, the information provided on the application must not be inconsistent with the information on file with the Bureau of Motor Vehicles. The bill further requires the Secretary of State to employ whatever security measures are considered to be necessary to implement this system. Finally, the bill specifies that the online voter registration process must be in operation and available for use not later than the first day of July occurring not fewer than 120 days after the bill's effective date.

Overall, the costs of verifying online voter registrations would likely be less expensive than processing paper registrations, with a consequent reduction in costs for the Secretary of State and, when applicable, county boards of elections. Although precise cost comparisons between paper registration and online registrations are not available, according to a 2010 case study conducted by the Pew Center for the States, the costs of processing paper voter registrations in Arizona and Washington was approximately 83 cents. The cost for processing online registrations was approximately three cents.<sup>2</sup>

### **Agency data sharing**

In addition to the above, the bill requires the Department of Health, Bureau of Motor Vehicles, Department of Job and Family Services, Department of Medicaid, and the Department of Rehabilitation and Correction to provide information and data to the Secretary of State at the end of each month to assist with the maintenance of data in the voter registration database. The Secretary of State is required to use this information and transmit this to county boards of elections, to the extent permissible by state and federal law, for county boards of elections to update and maintain voter registration records.

### **Citizenship verification**

The bill requires the Secretary of State to conduct an annual review of the statewide voter registration database to verify the citizenship of individuals who submit documentation to the Bureau of Motor Vehicles that indicates that the person is not a United States citizen. The Secretary of State is required to send written notice to each such identified individual to verify if that person is a citizen. The person is required to verify that he or she is a citizen, or fill out the included voter registration cancellation form included in the notice. If the person does not respond after two such notices are sent by the Secretary of State, the Secretary of State must refer the matter to the Attorney General for possible prosecution.

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<sup>2</sup> The Pew Center report may be accessed online at <http://www.pewstates.org/research/reports/online-voter-registration-85899378469>.

There would appear to be cost increases to the Secretary of State for conducting this review and sending notices as required. There would also be potential cost increases to the Attorney General's Office for potential prosecutions. However, the magnitude of either of these cost increases would depend on the number of individuals that would indicate they are not citizens on Bureau of Motor Vehicle forms. Thus, the total costs associated with these provisions are unclear.

### **Voting equipment certification**

The bill specifies that, in order to be certified for use in elections, voting machines, marking devices, or automatic tabulating equipment meet one of two standards. These standards are either (1) those adopted by the Federal Elections Commission in 2002, or (2) the voluntary voting system guidelines most recently adopted by the Federal Election Assistance Commission. These provisions of the bill do not apply to counties that acquired additional voting machines, marking devices, or automatic tabulating equipment on or after December 1, 2008. It is unclear as to whether or not this would have any direct impact on counties or the Secretary of State, but it would appear that this provision could limit the number of available certified voting machines and marking and tabulation devices.