

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2011

Legislative Incarceration Fiscal Note

(G.S. 120-36.7)

BILL NUMBER: Senate Bill 595 (First Edition)

SHORT TITLE: Voter Identification at Polls.

SPONSOR(S): Senator Clary

	FISCAL IMPACT				
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
GENERAL FUND					
-Correction		<i>*See Assumptions and Methodology*</i>			
-Probation		<i>*See Assumptions and Methodology*</i>			
-Judicial		<i>*See Assumptions and Methodology*</i>			
-State Board of Elections: ID Card*	\$660,892	\$39,128	\$40,298	\$41,294	\$42,322
Education	\$312,500				
Highway Fund					
DMV*	\$1,441,387	\$100,438	\$100,438	\$100,438	\$100,438
DOT-IT	\$73,950				
TOTAL EXPENDITURES:		<i>*See Assumptions and Methodology*</i>			
POSITIONS: (cumulative)					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: Department of Correction, State Board of Elections, Division of Motor Vehicles; Judicial Branch; County Boards of Elections.					
* The maximum amount of eligible voters are assumed to access the State Board of Elections and DMV services. Thus, totaling expenditures would not be accurate. See Assumptions and Methodology.					

EFFECTIVE DATE: January 1, 2012

**This fiscal analysis is independent of the impact of other criminal penalty bills being considered by the General Assembly, which could also increase the projected prison population and thus the availability of prison beds in future years. The Fiscal Research Division is tracking the cumulative effect of all criminal penalty bills on the prison system as well as the Judicial Department.*

BILL SUMMARY:

The proposed legislation adds new G.S. 163-166.13 requiring presentation of one of the following to vote: North Carolina driver's license, North Carolina voter ID card or other government-issued identification card, US passport, federal or North Carolina local gov't employee ID card, US military ID, or tribal ID card. The act provides for provisional ballot for person who cannot present ID at polling place. The act adds new G.S. 163-166.14 to require each county board of elections to issue voter ID cards without charge upon presentation of specified documentation. In addition, the proposed legislation lists information included on the voter identification card, and provides additional information on the cards. The act amends G.S. 163-22 to require the State Board of Elections to conduct a voter educational program on the need for identification. Also, the act amends G.S. 163-82.6A(b) to require presentation of the same kind of ID as under new 163-166.13 to register and vote one-stop. The act amends G.S. 20-37.7(d) to allow issuance of a DMV special identification card to a registered voter who does not otherwise have required ID to vote; no fee to be charged upon an oath that ID is needed to vote. The bill becomes effective January 1, 2012, and applies to elections held on or after that date.

SOURCE: BILL DIGEST S.B. 595 (04/13/0201)

ASSUMPTIONS AND METHODOLOGY:

General

The Sentencing and Policy Advisory Commission prepares prison population projections for each bill containing a criminal penalty. The Commission assumes for such bills that expanding existing, or creating new criminal offenses produces no deterrent or incapacitative effect on crime. Therefore, the Fiscal Research Division does not assume deterrent effects for any criminal penalty bill.

Department of Correction – Division of Prisons

The bill enacts G.S. 163-166.13, Requirement for presentation of identification to local election officials at a voting place, and G.S. 163-166.14, Voter identification cards.

Section 163-166.13 requires a person seeking to vote in person to present an authorized form of photographic identification, one of which is a valid North Carolina voter identification card issued pursuant to G.S. 163-166.14. Subsection (d) of G.S. 163-166.14 makes it a Class I felony to

engage in any falsification or fraud in the making of an application to obtain a North Carolina voter identification card.¹

Because the proposed bill creates a new offense, the Sentencing Commission does not have any historical data from which to estimate the impact of this bill on the prison population. It is not known how many offenders might be convicted and sentenced under the proposed bill. In FY 2009-10, 17 percent of Class I convictions resulted in active sentences, with an average estimated time served of seven months. If, for example, there were ten Class I convictions for this proposed offense per year, the combination of active sentences and probation revocations would result in the need for one additional prison bed the first year and three additional prison beds the second year.

By way of comparison, G.S. 163-275, Certain acts declared felonies, currently makes it a Class I felony for any person to “impersonate falsely another registered voter for the purpose of voting in the stead of such other voter[,]” or to “falsely . . . make or present any certificate or other paper to qualify any person fraudulently as a voter, or to attempt thereby to secure to any person the privilege of voting[.]” The Administrative Office of the Courts (AOC) currently does not have a specific offense code for violations of G.S. 163-275. The lack of an AOC offense code is some indication that this offense is infrequently charged and/or infrequently results in convictions.

Department of Correction – Division of Community Corrections

For felony offense classes E through I and all misdemeanor classes, offenders may be given non-active (intermediate or community) sentences exclusively, or in conjunction with imprisonment (split-sentence). Intermediate sanctions include intensive supervision probation, special probation, house arrest with electronic monitoring, day reporting center, residential treatment facility, and drug treatment court. Community sanctions include supervised probation, unsupervised probation, community service, fines, and restitution. Offenders given intermediate or community sanctions requiring supervision are supervised by the Division of Community Corrections (DCC); DCC also oversees community service.²

General supervision of intermediate and community offenders by a probation officer costs DCC \$2.49 per offender, per day; no cost is assumed for those receiving unsupervised probation, or who are ordered only to pay fines, fees, or restitution. The daily cost per offender on intermediate sanction ranges from \$8.93 to \$14.96, depending upon sanction type. Thus, assuming intensive supervision probation – the most frequently used intermediate sanction – the estimated daily cost per intermediate offender is \$14.96 for the initial six-month intensive duration, and \$2.49 for general supervision each day thereafter. Total costs to DCC are based on average supervision length and the percentage of offenders (per offense class) sentenced to intermediate sanctions and supervised probations.

¹In order to apply for a North Carolina voter registration card under G.S. 163-166.14, a person must be registered to vote in North Carolina and possess neither a valid unexpired driver’s license nor a special identification card issued under G.S. 20-37.7.

² DCC incurs costs of \$0.69 per day for each offender sentenced to the Community Service Work Program; however, the total cost for this program cannot be determined.

Because there is no data available upon which to base an estimate of the number of convictions that will be sentenced to intermediate or community punishment, potential costs to DCC cannot be determined.

Judicial Branch

The Administrative Office of the Courts (AOC) provides Fiscal Research with a fiscal impact analysis for most criminal penalty bills. For such bills, fiscal impact is typically based on the assumption that court time will increase due to anticipated increases in trials and corresponding increases in workload for judges, clerks, and prosecutors. This increased court time is also expected to result in greater expenditures for jury fees and indigent defense.

Because the Class I felony for falsification or fraud made while making a voter ID application is new, AOC has no historical data upon which to base an estimate of the number of charges that would occur due to this legislation.

Overall, the monetary value of the average workload of a lower level (Class I through F) felony case for those positions typically involved in felony cases – Superior Court Judge, Assistant District Attorney, Deputy Clerk, Court Reporter, and Victim Witness Legal Assistant – is \$945. In addition, a 2005 Office of Indigent Defense study of fee applications found that the average indigent defense cost for a Class F felony case was \$885 per indigent defendant.

AOC is unable to determine how many more Class 2 misdemeanor charges for fraud or misrepresentation in the application for or use of the special identification card may result from the expanded scope of the conditions set forth in 20-37.7(d).

New misdemeanor charges would impact district court judges, deputy clerks, assistant district attorneys, and other judge and district attorney support staff; superior court personnel could be impacted due to appeals. On average, the monetary value of court personnel time to process a misdemeanor is estimated at \$131. In addition, a 2005 Office of Indigent Defense study of fee applications found that the average indigent defense cost for a misdemeanor case was \$225 (three hours at \$75 per hour) per indigent defendant.

Costs Associated with Voter Identification Requirements

Using estimates provided from the State Board of Elections (SBE) and the Divisions of Motor Vehicles (DMV), an estimate of registered voters without a driver's license or special non-operator's identification has been obtained. The DMV issues drivers licenses under G.S. 20, Article 2 and issues special non-operator's identification cards under G.S. 20, Article 2b. In February, DMV compared information provided from the State Board of Elections regarding the registered voters in the State. DMV and State Board of Elections analyzed the data for matches on name, birth date, and Social Security number (SSN) records. Based on this analysis, there are 556,520 registered voters in the state without a DMV issued form of identification.

No estimate is available regarding the number of voters without DMV-issued identification but who possess an alternative form of identification allowed under Section 1.1 of the bill. Furthermore, absentee voters were also not considered in this analysis. Thus, the figure presented

in Table 1 should be considered a high estimate of potential registered voters who are eligible for a voter identification card. It is assumed that all eligible voters would obtain a voter identification card each year.

Furthermore, the bill allows for a free voter identification card should they move. As individuals move into the State or register for the first time, they could be eligible for a voter identification card or special non-operators identification card. Thus, after FY 2012, an additional pool of voters would be eligible for either a NC voter identification card. Under the bill, newly registered voters may also be eligible for a free special non-operator’s identification card. Table 2 shows the number of new registrations and address changes for the past seven calendar years. Based on the population of current voters without a DMV-issued identification card, it is expected that approximately 9.16% of these new voters would not have recognized form of photo identification (556,520 divided by 6,104,976).³ Using these figures, 75,653 voters may request a NC voter identification card and 38,779 may request a DMV issued identification card after FY 2012.

Table 1: Voters Requesting a New Registration or Change of Address

Year	Total Voters with a New or Address Changes	At 9.12% of Total	Newly Registered Voters	At 9.12% of Total
2004	913,007	83,228	493,789	45,013
2005	490,891	44,749	246,954	22,512
2006	594,112	54,158	311,127	28,362
2007	626,775	57,136	356,237	32,474
2008	1,971,218	179,692	1,022,820	93,238
2009	508,960	46,396	240,268	21,902
2010	704,424	64,214	306,648	27,953
Average	829,912	75,653	425,406	38,779

Voters without a form of photo identification allowed in Section 1.1 of the bill are allowed the option of obtaining a free State Board of Elections funded NC voter identification card or a free DMV-issued special non-operator’s identification card. However, it is unknown at this time what option voters will choose. When reviewing the costs to the State Board of Elections and DMV, it is assumed that the maximum number of voters allowable uses each service. As such, each method is mutually exclusive and should not be totaled.

State Board of Elections: Voter Identification Card:

The State Board of Elections is required to provide each county board of elections with the equipment, supplies, training, and maintenance required to provide the NC voter identification card. The State Board of Elections provided a cost estimate from Alpha Card Systems. The cost information is provided below:

³ The State Board of Elections assumed that 25 percent of voters would require a new free identification card due to the student population in the State and allowing for geographical differences ID requests. Fiscal Research did not concur. Under the Bill, a student identification card from a public institution would be valid.

Table 2: Cost Information for NC Voter Identification Card

Item	Cost
Two Sided ID Card Printer for 100 Counties	\$179,500
AlphaCard Enterprise ID Software Package for 100 Counties	\$95,000
6 Panel Dye Film	\$110.50 per 250 Cards
ID Cards	\$39.95 per 500 Cards
Logitech Webcam for 100 Counties	\$4,900
Cleaning Kit for 100 Counties	\$2,175

Additionally, the State Board of Elections reports that additional software would have to be purchased for the Statewide Elections Information Management System (SEIMS) at \$100,000. Additional costs to SEIMS would result from the additional information, such as photographs, required for the issuance of the NC voter identification card.

The total estimated cost of the NC voter identification card is presented below. Figures were inflated based on inflation guidelines in the 2011 Legislative Fiscal Note Manual. No additional costs for training were assumed. However, the quote provided by Alpha Card Systems included one hour of free training per system and free customer support.

Table 3: Total Cost for NC Voter Identification Card

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Equipment	\$186,575				
Software	\$195,000				
Badge Cost	\$279,317	\$39,128	\$40,298	\$41,294	\$42,322
Total	\$660,892	\$39,128	\$40,298	\$41,294	\$42,322

The State Board of Elections finds that additional personnel may be required at county offices to issue identification cards. However, the additional costs cannot be determined at this time.

Division of Motor Vehicles: Special Non-Operators Identification Card

Section 1.7 allows an eligible voter without valid photo identification to obtain a special identification card for non-operators from the Division of Motor Vehicles (DMV) and waives the \$10 fee set by G.S. 20-14. This analysis assumes that registered voters seeking DMV-issued identification are prompted solely by the photo identification requirement for voting, and therefore will not seek identification cards in lieu of regular ID issuance. Accordingly, this analysis does not address the potential impact to the Highway Fund per foregone fee collections.

Per Section 1.7, a voter will be allowed to receive a free card upon swearing that they are eligible to vote in North Carolina and do not possess an alternate form of identification listed in G.S. 163-166.13. Unlike the voter identification card under the State Board of Elections, voters would not be eligible to receive a free special identification card should they move within the State. However, voters who move into the State or who become eligible to vote by achieving the requisite age requirement would be eligible for the free special identification card.

Assuming that approximately 9.12% of new registrants would not have a recognized form of photo identification, Fiscal Research estimates that an additional 38,779 eligible voters could request special identification cards annually. This total is in addition to the current pool of voters (556,520) without DMV-issued forms of identification.

Vendor compensation for license/identification card production in FY 2011-12 is \$2.12 per issued card, as defined by the Secure Driver License System contract. DMV also estimates per card postage and delivery costs of \$.47 for central issuance. Since voter behavior and the potential use of alternate forms of identification are indeterminate at this time, the scenario included below represents the maximum per card production and delivery costs if all eligible voters without photo identification seek DMV-issued identification. However, given the alternate authorized forms of identification, Fiscal Research does not expect DMV to incur costs at this level.

Additionally, Fiscal Research expects that existing central issuance and driver license field office staff will accommodate the requisite identity and residency document verification. Because of the potential influx in identification card requests, longer wait times at DMV field offices and central issuance backlogs may be experienced.

Table 4: DMV Special Non-Operator's Identification Card Costs

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Identification Card and Delivery	\$1,441,387	\$100,438	\$100,438	\$100,438	\$100,438
IT Costs (SADLS) <i>870 hrs. @ \$85/hr.</i>	\$ 73,950				
Total	\$1,515,337	\$100,438	\$100,438	\$100,438	\$100,438

To verify the issuance of a driver license or identification card, as proposed by G.S. 163-166.13(b) and G.S. 163-166.14(b), county boards of elections will require access to a real-time, external interface with the State Automated Driver License System (SADLS) to query records. The Department of Transportation – Information Technology section could not provide development and implementation timelines for interfaces for both SADLS and the New Generation Driver License System (NGDLS) which is now being implemented. Per the January 1, 2012 effective date, interfaces must be developed for each platform. However, a “code freeze” will be imposed for NGDLS implementation during FY 2011-12, which may restrict the number of changes that can be implemented. Consequently, development of the external interfaces may extend beyond the January 2012 timeframe.

DOT-IT projects a total of 1,760 hours of contractual labor for SADLS adjustments at a total estimated cost of \$131,800. However, \$57,850 of these development costs are assumed as sunk. Additionally, DOT-IT projects 250 additional hours of development for the NGDLS at an estimated cost of \$25,000, which is also assumed as sunk. Of the total estimated contractual programming and development cost of \$156,800, \$73,950 is estimated to be new.

Voting Procedures

The Bill is not believed to add any additional cost as additional information is required to the existing process for voting. Voters will be required to provide valid photo identification as well as provide the existing requirement of stating their name and residence per G.S. 163-166.7(a) and G.S. 163-227.2(b).

Voter Education:

Section 1.2 of the Bill requires the State Board of Elections to formulate and conduct a voter education program specifically concerning the new identification requirement. One method of providing such education would be to utilize a statewide television and radio campaign. Using information available to Fiscal Research from the Department of Administration's Agency for Public Telecommunication, the following cost of placing past statewide and select market campaigns was presented. Additional costs for creating the advertisement may also occur.

Table 5: Select Recent Statewide Media Placements

Campaign	Media	Duration	Cost
Click it or Ticket	Statewide: radio, TV, and cable TV	Two weeks from mid-May to Memorial Day 2011	\$325,000
Seasonal Flu	Statewide: theater, radio, TV, and cable TV	Two months in Winter 2010-11	\$300,000
Average Cost			\$312,500

Other education could occur at nominal costs as the State Board of Elections could make use of existing communication with voters to implement voter education campaign. For example, additional voter identification requirement education material could be included on existing State Board of Elections and county board of elections websites; in normal mail correspondence with voters, such as the mailing of voter registration cards; notice of elections required by G.S. 163-22-(8); and, the Judicial Voter Guide and Voter Guide required under G.S. 163-278.69 and G.S. 163-278.99E, respectively.

SOURCES OF DATA: Judicial Branch; North Carolina Sentencing and Policy Advisory Commission, Department of Administration, Division of Motor Vehicles, State Board of Administration.

TECHNICAL CONSIDERATIONS: Section 1.7 amends G.S. 20-37.7(d)(5) and allows eligible persons to receive a free special identification card provided they do not have a form of identification acceptable under G.S. 163-166.13 (created by this Bill). Acceptable identification in G.S. 163-166.13 includes a North Carolina driver's license, with no mention of "valid." G.S. 20-37.7(d)(5) forbids an individual from receiving a free special identification card from DMV if they possess a "valid" driver's license. "Valid" should be removed from Line 49, Page 4 of Section 1.7, or added on Line 17, Page 1 of Section 1.1 for consistency.

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