

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 17, 2007

TO: Honorable Robert Duncan, Chair, Senate Committee on State Affairs

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB626 by King, Phil (Relating to the procedures for registering to vote.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB626, As Engrossed: a negative impact of (\$21,237,686) through the biennium ending August 31, 2009.

General Revenue-Related Funds, Five-Year Impact:

| Fiscal Year | Probable Net Positive/(Negative) Impact to General Revenue Related Funds |
|-------------|--|
| 2008 | (\$10,703,518) |
| 2009 | (\$10,534,168) |
| 2010 | (\$10,534,168) |
| 2011 | (\$10,534,168) |
| 2012 | (\$10,534,168) |

All Funds, Five-Year Impact:

| Fiscal Year | Probable Savings/(Cost) from <i>GENERAL REVENUE FUND</i> 1 | Probable Revenue Gain/(Loss) from <i>GENERAL REVENUE FUND</i> 1 | |
|-------------|--|---|-----|
| 2008 | (\$10,703,518) | | \$0 |
| 2009 | (\$10,534,168) | | \$0 |
| 2010 | (\$10,534,168) | | \$0 |
| 2011 | (\$10,534,168) | | \$0 |
| 2012 | (\$10,534,168) | | \$0 |

| Fiscal Year | Change in Number of State Employees from FY 2007 |
|-------------|---|
| 2008 | 30.0 |
| 2009 | 30.0 |
| 2010 | 30.0 |
| 2011 | 30.0 |
| 2012 | 30.0 |

Fiscal Analysis

The bill would require the Office of the Secretary of State (SOS) to verify that a voter applicant is a US citizen before the applicant could be approved as a voter. The bill requires that the voter registration application be redesigned so that voter applicants would be required to state the city, county, state, and country of birth if the applicant is a citizen by birth or the city, state, and year of taking the naturalization oath or the applicant's alien registration number, if the applicant is a

naturalized citizen. The SOS would then be required to confirm the birth in the US with all the states and US territories, and would be required to confirm that the naturalization status of naturalized citizens. For those applicants that the SOS could not verify citizenship, the applicants would be required to execute an affidavit stating that the applicant is a US citizen. The bill would exempt from charge by a notary public, a notarized affidavit for proof of citizenship. The bill would apply to new registrations occurring after September 1, 2007.

Methodology

According to the SOS, on average there are about 600,000 new voters entered each year. According to the office of the Texas State Demographer, 50 percent of the increase in state population during the period of 1990 - 2000 was due to natural population increase within the state, and would need to be verified with the Texas Bureau of Vital Statistics at a cost of \$22.00 per transaction. ($300,000 \times \$22 = \6.6 million). The other 50 percent of the increase in state population during this period was due to migration (both domestic and international). Information from the Texas State Demographer indicates that about six percent of the voting age population in Texas is naturalized citizens. Since six percent of citizens are naturalized citizens, an estimated 18,000 applications would need to have the naturalization status confirmed with the United States Citizen and Immigration Services SAVE (Systematic Alien Verification for Entitlements) program and the average transaction cost to verify naturalization is \$0.26 a transaction. ($18,000 \times \$0.26 = \$4,680$). The remaining 282,000 applications of residents born in another state would need to be confirmed with that specific state at an average cost of \$10.00 per transaction. ($282,000 \times \$10 = \$2,820,000$). Total transaction costs would be \$9.4 million.

In addition, the electronic interfaces would need to be designed and implemented with the Texas Bureau of Vital Statistics and the SAVE program. The cost to develop these interfaces would be minimal. However, there is no feasible way to implement electronic interfaces with all the states and US territories as not all states have this information available electronically, and those that do have electronic databases are all different. Accordingly, the SOS estimates they would need to employ at least 30 FTE's to verify citizenship status for each applicant born outside the United States. This cost is about \$1,278,838.

Total costs to verify the citizenship status of new registrants would be roughly \$10,703,518 per year.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 307 Secretary of State

LBB Staff: JOB, KJG, MS, SD