

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 28, 2021

TO: Honorable Briscoe Cain, Chair, House Committee on Elections

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1340 by Buckingham (Relating to voter qualification and registration.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1340, As Engrossed : a negative impact of (\$20,438,867) through the biennium ending August 31, 2023.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill. The Secretary of State is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the Secretary of State may, but is not required to, implement a provision of this Act using other appropriations available for that purpose

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	<i>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</i>
2022	(\$10,801,457)
2023	(\$9,637,410)
2024	(\$9,672,586)
2025	(\$9,708,451)
2026	(\$9,745,019)

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	<i>Probable Savings/(Cost) from General Revenue Fund 1</i>	<i>Probable (Cost) from Federal Funds 555</i>	<i>Change in Number of State Employees from FY 2021</i>
2022	(\$10,801,457)	(\$7,861,345)	146.0
2023	(\$9,637,410)	(\$7,861,345)	146.0
2024	(\$9,672,586)	(\$7,861,345)	146.0
2025	(\$9,708,451)	(\$7,861,345)	146.0
2026	(\$9,745,019)	(\$7,861,345)	146.0

Fiscal Analysis

This bill would amend the Election Code regarding voter qualification and registration. It would require the Department of Public Safety (DPS) to provide to the Secretary of State (SOS) information regarding non-citizens who apply for a driver's license or personal identification card as well as certain felony information. It would require DPS to verify voter registration records on a quarterly basis with the Social Security Administration and provide these results to SOS.

The bill would designate the SOS as the chief voter registrar of the state and would require the SOS to maintain the list of registered voters. The bill would require that county voter registrars must assist the SOS in the registration of voters at the SOS's direction.

The bill would direct the SOS to promulgate rules and regulations for this purpose. The SOS anticipates adopting rules that would result in the SOS retaining all voter registration list maintenance activities; the printing and distribution of voter registration cards; and the review, investigation, and determination of challenges to a voter's registration. The SOS anticipates delegating to the county voter registrars, among other things, the processing of initial voter registration applications and updates to existing applications; the certification and appointment of volunteer deputy registrars; and the maintenance of territory and boundary lines associated with local political subdivisions.

The bill would require the SOS and DPS to implement a program to allow a U.S. citizen with an unexpired Texas driver's license to complete a voter registration application simultaneously with a driver's license transaction on the State's official Internet website.

The bill would require the SOS to assume additional, various responsibilities relating to voter registration.

Methodology

Election Division New Employees

The SOS estimates that the bill would require a total of 132 new full-time equivalent (FTE) positions in the Elections Division. One Director I (\$69,415 per year), one Manager III (\$59,004 per year), and 5 Program Supervisor I positions (\$47,700 per year) would oversee new voter registration staff while 2 Attorney II positions (\$63,000 per year for each FTE) would be required for voter registration questions and 2 Administrative Assistant V positions (\$37,000 per year for each FTE) would assist with administrative functions and an expected increase in public information requests.

The agency estimates that 121 Program Specialist I positions (\$39,000 per FTE per year) would be required to directly support voter registration activities. This estimate was based by the SOS on discussions with county election officials and a sample review of Texas Election Administration Management (TEAM) voter registration activity. The agency estimates that 43.5 FTEs would be required to support counties with populations under 25,000; 16.5 FTEs for counties with populations between 25,000 and 50,000; 13.5 FTEs for counties with populations between 50,000 and 100,000; 12 FTEs for counties with populations between 100,000 and 200,000; 7.5 FTEs for counties with populations between 200,000 and 350,000; 16 FTEs for counties with populations between 350,000 and 1,000,000; and 12 FTEs to support counties with populations over 1,000,000.

IT Division New Employees

The SOS estimates the bill would require 8 additional FTEs in the agency's IT division to support the needs of the new staff and set up IT infrastructure: one Programmer V (beginning salary of \$80,000 in fiscal year 2022), one Systems Administrator VI (beginning salary of \$90,000 in fiscal year 2022), one Systems Administrator V (beginning salary of \$85,000 in fiscal year 2022), one Network Specialist VI (beginning salary of \$75,000 in fiscal year 2022), one Network Specialist V (beginning salary of \$55,000 in fiscal year 2022), one Information Technology Security Analyst II (beginning salary of \$90,000 in fiscal year 2022), and one Information Security Officer (beginning salary of \$110,000 in fiscal year 2022). Note that salaries in this division are assumed to increase by 2 percent per year.

Support and Executive Division New Employees

The bill would require two new HR Specialist III positions (\$50,000 per year per FTE), one Program Manager IV (\$95,000 per year), and one Accountant IV position (\$42,244 per year) to onboard new employees, conduct ongoing human resource functions, and support increased demands on accounts payable/receivable staff. New Attorney III (\$63,104 per year), Legal Assistant III (\$42,244 per year), and Program Specialist V (\$48,278 per year) positions would be required in the Executive Division to assist with the substantial increase in responsibilities assigned to the agency by the bill.

Salary costs for the total 146.0 FTEs that would be required by the bill as estimated by SOS would range from \$6,261,789 in fiscal year 2022 to \$6,317,843 in fiscal year 2026. Estimated benefits and additional payroll

costs would be \$2,187,790 in fiscal year 2022 and increase to \$2,206,823 in 2026 anticipated pay raises in the IT division.

The SOS does not currently have space for the new employees. The agency obtained an estimate from the Texas Facilities Commission that an annual lease to support the required new employees, including utilities and janitorial services, would have an estimated cost of \$175,000 per year.

General Revenue would be required for all payroll and benefits costs in the bill. SOS assumes that \$7,861,345 per year in Federal Funds would be available to meet non-payroll requirements of the bill through fiscal year 2026.

According to DPS, the current felony conviction file that is sent to the SOS would need to be modified to include certain new information required by the bill and this would require a change order to the vendor who maintains the system. The bill would also require DPS to enter into an agreement with the Social Security Administration to verify a voter registration record with a social security number. There is currently a fee of \$0.05 per transaction that must be paid to the Social Security Administration for this service. Because the volume of these transactions is unknown, DPS cannot estimate the cost of these verifications.

This analysis assumes that any costs for changing the felony conviction file or verification of Social Security numbers could be absorbed by DPS.

Technology

Initial IT software and hardware infrastructure for the new function would cost \$1,769,855 in fiscal year 2022 with a recurring maintenance cost of \$786,658 per year in subsequent years. To setup the initial operations required by the bill, contract staff would be required at an estimated cost of \$1,335,946 in fiscal year 2022.

Modification to the existing TEAM voter registration database would require 1,600 hours for configuration, implementation, and testing. Assuming a contractor cost of \$132 per hour these modifications would cost \$211,200 in fiscal year 2022. Additional bandwidth and storage costs for TEAM related to the bill are estimated to be \$72,000 per year.

Local Government Impact

The fiscal implications of the bill for local government cannot be determined at this time; however, the estimated 121 new program specialists providing election assistance could have a fiscal impact on local jurisdictions.

Source Agencies: 307 Secretary of State, 405 Department of Public Safety

LBB Staff: JMc, SLE, LCO, GP, SMAT, CMA, SD