



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2015 Biennium

Bill #	HB0108	Title:	Revise registration and proof of identity requirements for voting
Primary Sponsor:	Washburn, Ted	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2014</u> <u>Difference</u>	<u>FY 2015</u> <u>Difference</u>	<u>FY 2016</u> <u>Difference</u>	<u>FY 2017</u> <u>Difference</u>
Expenditures:				
General Fund	\$178,499	\$44,866	\$44,866	\$44,866
State Special Revenue	\$119,000	\$29,911	\$29,911	\$29,911
Revenue:				
General Fund	(\$44,000)	(\$44,000)	(\$44,000)	(\$44,000)
Net Impact-General Fund Balance:	<u>(\$222,499)</u>	<u>(\$88,866)</u>	<u>(\$88,866)</u>	<u>(\$88,866)</u>

Description of fiscal impact: This bill allows a resident of Montana to obtain a free identification card provided by the Montana Department of Justice, Motor Vehicle Division to be used for proof of identity for voting.

FISCAL ANALYSIS

Assumptions:

Department of Justice

1. Motor Vehicle Division (MVD) will issue an Identification Card valid for 4 years, at no cost to the customer, to anyone age 18 or older who does not currently hold a valid Montana Driver's License.
2. Montana residents age 18 and older total 775,845 (US Census, July 2011).
3. Of the 757, 812 licensed drivers in Montana (Federal Highway Report FY 2012) 16,580 are under the age of 18 and 741,232 licensed drivers are age 18 or older.
4. Assuming the approximate 34,613 (775,845 residents age 18 and older – 741,232 licensed drivers age 18 or older = 34,613) Montanans who do not currently hold a valid Montana Driver's License applied for and received an identification card during the first year following passage of HB 108, operating expenditures

would increase \$297,499 [34,613 residents without a driver's license * \$8.595 contracted cost to produce an identification card = \$297,499].

5. After the first year of implementation of HB 108, it is estimated that approximately 8,700 (34,613 Montanans without driver's license x .25 (industry average) = 8,653 rounded to 8,700) new identification cards will be issued under this bill at an annual expense of \$74,777 (8,700 identification cards x \$8.595 contracted cost per identification card = \$74,777).
6. The current operating expense to produce identification cards is funded from the general fund (60%) and a state special revenue fund (40%). Therefore, operating expenses for contracted services to produce the identification cards provided for by HB 108 would increase \$178,499 in general fund and \$119,000 state special revenue in FY 2014 and \$44,866 in general fund and \$29,911 in state special revenue annually in FY 2015. (FY 2014 \$297,499 x 60% = \$178,499 general fund and \$297,499 x 40% = \$119,000 state special revenue) (FY 2015 and ongoing \$74,777 x 60% = \$44,866 general fund and \$74,777 x 40% = \$29,911 state special revenue).
7. Additionally, it is anticipated that annual general fund revenues will decrease approximately \$44,000 if 25% (industry average) of those presently paying for an identification card qualified for a free identification card under the provisions of HB 108. (22,000 identification cards x 25% = 5,500 qualified for free ID card. 5,500 x \$8.00 (identification card fee paid by applicant) = \$44,000).
8. Although it will affect the expenses related to this bill, it is unknown how many identification cards would be re-issued annually due to card loss, change of name or address, or damage.
9. It is also assumed that the number of individuals no longer qualified for the free identification card would be nearly equal to the number of individuals newly qualified for the free identification card.
10. The Justice Information Technology Services Division (JITSD) will provide 20 hours of programming for a new license type in MERLIN and in the Legacy Driver License System to provide for issuance of a free identification, programming will be completed in FY 2014 if not before.

	<u>FY 2014 Difference</u>	<u>FY 2015 Difference</u>	<u>FY 2016 Difference</u>	<u>FY 2017 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Operating Expenses	\$297,499	\$74,777	\$74,777	\$74,777
TOTAL Expenditures	\$297,499	\$74,777	\$74,777	\$74,777
<u>Funding of Expenditures:</u>				
General Fund (01)	\$178,499	\$44,866	\$44,866	\$44,866
State Special Revenue (02)	\$119,000	\$29,911	\$29,911	\$29,911
TOTAL Funding of Exp.	\$297,499	\$74,777	\$74,777	\$74,777
<u>Revenues:</u>				
General Fund (01)	(\$44,000)	(\$44,000)	(\$44,000)	(\$44,000)
State Special Revenue (02)	\$0	\$0	\$0	\$0
TOTAL Revenues	(\$44,000)	(\$44,000)	(\$44,000)	(\$44,000)
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$222,499)	(\$88,866)	(\$88,866)	(\$88,866)
State Special Revenue (02)	(\$119,000)	(\$29,911)	(\$29,911)	(\$29,911)

Sponsor's Initials

Date

Budget Director's Initials

Date