



Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: [H.B. 78 of the 130th G.A.](#)

Date: November 6, 2013

Status: As Introduced

Sponsor: Rep. Stinziano

Local Impact Statement Procedure Required: No

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

State Fiscal Highlights

- The Secretary of State could 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, in conjunction with the Bureau of Motor Vehicles, is responsible for verifying any online voter registration requests. According to a March 2010 report by the Pew Center for the States concerning online voter registration systems in Arizona and Washington, the estimated cost of processing paper registrations was 83 cents versus approximately 3 cents for online registration requests.

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.

Detailed Fiscal Analysis

Overview

The bill requires the Secretary of State by rule, to establish a secure online process for voter registration, which will allow an applicant who possesses a current and valid Ohio driver's license or identification card to submit to the Secretary of State an application to register to vote or to update the applicant's name, address, or both. The bill also requires additional sharing of voter registration data both among specified state agencies and with other states as necessary. Currently, there are 19 states that have implemented or passed legislation to implement full online voter registrations. 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 2014 and FY 2015. It is also possible that voter registration processing costs for county boards of elections will be reduced. The fiscal effect of the bill are described in more detail below

Verification of online voter registration applications

When the Secretary of State receives a completed online voter registration application, the bill requires the Secretary of State to submit the completed application to the Bureau of Motor Vehicles for record-matching purposes. Once this has occurred, the bill requires the Secretary of State to validate and submit the completed application and the information from the Bureau, including the electronic signature of the applicant, to the board of elections in the county where the applicant resides. In cases where there are discrepancies, or the information cannot be confirmed, the application is submitted to the county board of elections for follow-up. In turn, the board must send a notice to the applicant's electronic mail address, if one was provided, and by mail to the address provided in the application, that the application cannot be processed because the Bureau cannot confirm that the applicant possesses a current and valid Ohio driver's license or identification card. 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.¹

¹ The Pew Center report may be accessed online at <http://www.pewstates.org/research/reports/online-voter-registration-85899378469>.

Statewide Voter Registration Database information-sharing requirements

Under the bill, state agencies, including the Department of Health, the Bureau of Motor Vehicles, the Department of Job and Family Services, and the Department of Rehabilitation and Correction, must provide any information and data to the Secretary of State that the Secretary of State considers necessary to maintain the Statewide Voter Registration Database, except where prohibited by federal law or regulation. (The Secretary of State currently exchanges such information with the Department of Health and Bureau of Motor Vehicles.) As part of this data-sharing process, the bill requires the Secretary of State to ensure that any information that is confidential while in possession of the entity providing the data remains confidential while in the Secretary of State's possession. In addition, the bill also requires the Secretary of State to enter into agreements to share information or data with other states or groups of states as needed in order to maintain the Statewide Voter Registration Database. Finally, the bill allows the Secretary of State to provide such otherwise confidential information or data to persons or organizations that are engaging in legitimate governmental purposes related to the maintenance of the Statewide Voter Registration Database.

The overall fiscal impact of these data-sharing provisions on the Elections Division within the Secretary of State's Office is uncertain. The Statewide Voter Registration Database is managed and operated in-house. As a result, any upgrades resulting from the data-sharing requirements of the bill would be completed by existing staff. The cost of any necessary upgrades to current system hardware or software will depend on the total amount of additional data that would be exchanged between state agencies and other states or organizations under the bill.