



**HF 516** – Election Integrity, Secretary of State (LSB1365HV.1)  
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 Fiscal Note Version – As amended and passed by the House  
 Requested by Representatives Ken Rizer and Mary Mascher

### **Description**

**House File 516** relates to conduct and administration of elections, including voter registration, absentee voting, voter identity verification, signature verification, polling place prohibitions, commissioner duties and certifications, voter misconduct information and reporting, straight party voting, and post-election audits. The Bill creates an Electronic Poll Book and Polling Place Technology Revolving Loan Fund, provides penalties, and includes effective date and applicability provisions.

### **Background**

- There are approximately 2.0 million active, registered voters in Iowa. During the 2016 general election, approximately 1.6 million (79.0%) voted. During the 2014 general election, approximately 1.1 million (59.0%) voted. The table below provides additional voting information.

**Secretary of State’s Office General Election Turnout Report**

General Election	Election Day Voters	Absentee Voters	Total Voters	Active/Registered Voters	% Active Voter Turnout	Inactive/Registered Voters	% Total Voter Turnout
2012	901,894	688,057	1,589,951	1,960,086	81.1%	209,693	73.3%
2014	673,126	469,185	1,142,311	1,937,709	59.0%	204,863	53.3%
2016	934,219	647,152	1,581,371	2,000,567	79.0%	172,418	72.8%

\* Active voters and inactive voters for 2012 is as of 11/6/2012; 2014 is as of 11/6/2014; and 2016 is as of 11/8/2016.

- Registered voters can be either active or inactive. An inactive voter is a registered voter that has not voted in two subsequent elections, and the county auditor has documentation that the voter no longer lives at the registration address.
- There are 1,681 voting precincts in Iowa.
- According to the National Conference for State Legislatures (NCSL), 34 states require some form of documented evidence of voter identification at the polls.
- According to the Department of Transportation (DOT), there are 2,002,176 valid driver’s licenses and 178,480 nonoperator State IDs currently issued to Iowans age 18 and over.
- Under current law, most violations of election law under Iowa Code chapters [39](#) through [53](#) are prosecuted under Iowa Code chapter [39A](#). According to the Criminal and Juvenile Justice Planning Division, from FY 2012 to FY 2016, there have been 19 convictions of election misconduct under that Iowa Code chapter.

Brief explanations of the Bill divisions with potential fiscal impact are outlined below, followed by relative assumptions and the fiscal impact for each division. The fiscal impact of the Bill is summarized in a table at the end of this Fiscal Note.

### **Division I – General Provisions**

Under the Bill, a voter identification number, driver's license number, or nonoperator's identification number is considered to be the voter verification number and is required to be kept confidential pursuant to Iowa Code section [22.7](#). The Bill also creates a simple misdemeanor for the violations related to voter registration under Iowa Code chapter [48A](#), for which another penalty is not provided.

#### **Assumptions**

- It is unknown how many convictions may occur related to the simple misdemeanor created under the Bill.
- Counties will continue to mail voter registration cards to voters who change their names, addresses, party affiliations, etc., as part of an acknowledgment process pursuant to the requirement of the [National Voter Registration Act of 1993](#).
- Some counties currently mail cards under the acknowledgment process in a postcard format, whereas some counties use a fold-over mailer and others use an envelope. The requirement to keep the voter identification number confidential will change the way some counties mail the cards to the voters, which may increase postage costs in those counties.
- The Judicial Branch will not require any additional programming costs to provide jury questionnaire information to the Secretary of State's (SOS) Office as this report can currently be produced through the Iowa Court Information System (ICIS).
- Counties may see an increased amount of provisional ballots under the requirements of the Bill for same-day registrants in precincts that do not have e-poll books or in instances where a voter does not have a valid form of ID.

#### **Fiscal Impact – Division I**

- Some counties may experience increased postage and mailing costs due to the requirement that the voter verification number be kept confidential; however, those costs cannot be determined at this time and the number of counties impacted is unknown.
- Some counties may experience increased provisional ballot and envelope costs; however, those costs cannot be determined at this time and the number of counties impacted is unknown.

### **Division II – Voter Identity and Signature Verification**

The Bill requires election officials to verify a voter's identity before furnishing a ballot or absentee ballot to the voter. A voter is required to present the election official with an Iowa driver's license, an Iowa nonoperator's identification card, a U.S. passport, a U.S. military card, or a veteran's identification card. The SOS Office is required to provide a voter registration card to an active registered voter that does not have one of the five forms of identification. Division II of the Bill takes effect upon the appropriation of moneys by the General Assembly to implement the section requiring voter registration cards, and requires the SOS Office to develop administrative rules to implement that section. Division II applies to elections held on or after the effective date of the Division.

#### **Assumptions**

- The DOT estimates approximately 40 hours of information technology (IT) programming will be required to provide driver's license and nonoperator ID information to the SOS Office. The programming time would be handled within existing resources and the cost is anticipated to be minimal (one-time cost of \$1,137).
- According to the SOS Office, there are approximately 85,000 registered voters that do not have a current driver's license or nonoperator's identification card issued by the DOT.
- The SOS Office will mail free voter registration cards on a one-time basis to active registered voters whose names do not appear on the DOT files.

- The current voter registration card format will be modified to meet the requirements of the new voter registration cards under Iowa Code section 48A.10A.
- Subsequent mailing of voter registration cards would be completed by the counties in the same way that the counties currently produce and mail voter registration cards as a part of the acknowledgment process.
- Additional details related to the voter registration card will be established through the administrative rules process.

#### **Fiscal Impact – Division II**

- The SOS Office estimates approximately \$65,120 in one-time costs to provide programming updates to IVoters, the statewide voter registration system. (592 hours x \$110/hr.)
- The cost to the SOS Office to produce and distribute voter registration cards is estimated to be \$1 per card, and approximately 85,000 cards are expected to be mailed to active registered voters in the first year. (\$85,000)
- The section implementing the voter registration cards is contingent on an appropriation from the General Assembly.

#### **Division III – Polling Places**

The Bill creates an Electronic Poll Book and Polling Place Technology Revolving Loan Fund under the control of the SOS Office. The Fund is to be used to loan money, at no interest, to county commissioners to purchase e-poll books or to update e-poll books and polling place technology. The SOS Office may spend up to 30.0% of the moneys in this Fund to administer polling place technology. The moneys in the Fund are permitted to carry forward. The SOS Office is required to adopt administrative rules to administer the Fund and the Program. Moneys in the Fund can include moneys allocated from the SOS budget and any other moneys obtained or accepted by the SOS Office for deposit in the Fund. There is no appropriation in the Bill for this Fund.

#### **Fiscal Impact – Division III**

According to a survey of voting precincts conducted by the SOS Office in January 2017, there are approximately 600 precincts that do not have e-poll books. The average cost of one set of e-poll books equipment is approximately \$875. According to the SOS Office, as a best practice, most counties utilize two sets of e-poll books in each precinct. Some precincts may require three sets of e-poll books due to voter turnout. If 600 precincts purchase one e-poll book, the cost will be \$525,000 and if each precinct purchased two, the cost would be approximately \$1.1 million. The Bill does not mandate that the precincts use e-poll books. The Bill establishes a loan fund, but does not provide an appropriation to the Fund.

#### **Division IV – Election Certification and Audits**

The Bill requires the SOS Office to complete a post-election audit of each general election. No later than 20 days after each general election, the SOS Office will determine the number of counties and precincts to be audited. The Bill specifies auditing procedures and reporting requirements. The SOS Office will adopt administrative rules to implement this section of the Bill.

#### **Fiscal Impact – Division IV**

Depending on the size of the precinct and the size of the county, the post-election audit may require some additional overtime hours for county auditor staff; however, no specific information is available at this time.

#### **Division V – Voter Misconduct Information and Reporting**

This Division outlines county attorney responsibilities for reviewing and reporting voter misconduct.

**Fiscal Impact – Division V**

This Division is not anticipated to have a significant fiscal impact.

**Division VI – Straight Party Voting**

This Division eliminates straight party voting in Iowa.

**Fiscal Impact – Division VI**

This Division may have a minimal fiscal impact in that voting lines may be longer and poll workers may work additional hours. Hourly wages for a poll worker vary by county.

**Division VII – Public Education**

This Division requires the SOS Office, in consultation with the county commissioners of elections and other relevant stakeholder groups, to develop a comprehensive statewide public education campaign to inform Iowa voters of the election-day identification requirements in the Bill.

**Assumptions**

- Approximately 5.0% of the SOS General Fund appropriation (\$70,000) is currently budgeted for communications, advertising, publicity, and outside services for elections and voter registration. The SOS Office will incorporate educational information into its ongoing voter engagement projects. Depending on the FY 2018 and FY 2019 General Fund appropriations to the SOS Office, additional resources may be required.
- The SOS Office plans to launch a social media campaign utilizing Facebook, YouTube, and Twitter. The SOS Office also plans to promote the initiative at its booth at the State Fair and to develop educational materials that civic and voter advocacy groups can use to help educate their members. The SOS Office will also work with all 99 county auditors to reinforce outreach at the local level.

<b>SOS Office Education and Outreach Budget</b>	
Video and Printed Material for Precinct Workers and County Election Officials	\$ 5,000
Social Media and E-Newsletter	10,000
Develop Educational Materials to be Used by Organizations to Educate Members and Constituents	15,000
Production and Distribution of Educational Material Components	20,000
Total	<u>\$ 50,000</u>

- Radio and television public service announcements may require additional funds.
- The SOS Office has an Iowa Code chapter 28E agreement with the Iowa State Association of County Auditors to provide approximately 40 hours in annual classroom training for all elections staff. Counties are also required to offer no less than two hours of training to precinct officials. The SOS Office plans to provide materials to be used at both of these trainings.

**Fiscal Impact – Division VII**

In addition to current resources, the costs to the SOS Office to provide additional voter outreach are estimated to be approximately \$50,000; however, if more traditional forms of media are used, the costs may be considerably higher. If the SOS Office determines that an additional staff person is necessary for public education and outreach, it may require an additional \$100,000.

## Minority Impact

The [U.S. Census](#) permits people to identify their race and ethnicity. The table below displays the latest census estimates as of July 1, 2015. The population estimate for Iowa was 3.1 million. In addition, approximately 11.9% of [Iowa's population](#) had at least one disability in 2015.

	Total Population	Male	Female	Caucasian	African American	American Indian/Alaska Native	Asian	Hawaiian/Other Pacific Islander	Hispanic	Two or More Races
<b>National Census</b>	321.4 million	49.2%	50.8%	77.1%	13.3%	1.2%	5.6%	0.2%	17.6%	2.6%
<b>Iowa Census</b>	3.1 million	49.7%	50.3%	91.8%	3.5%	0.5%	2.4%	0.1%	5.7%	1.8%

The table below applies the census estimates to the total registered voters in Iowa. In addition, based on the census data, approximately 253,306 of Iowa's total registered voters may have at least one disability.

### Race and Ethnicity Census Estimates Applied to the Number of Registered Voters

Total Registered Voters as of 3/3/2017	Male	Female	Caucasian	African American	American Indian/Alaska Native	Asian	Hawaiian/Other Pacific Islander	Hispanic	Two or More Races
2,128,623	1,057,926	1,070,697	1,954,076	74,502	10,643	51,087	2,129	121,332	38,315

Based on the current available information, the minority impact of HF 516 cannot be determined at this time.

## Summary of Fiscal Impact

**Secretary of State** — The fiscal impact of HF 516 includes one-time costs to the SOS Office identified in the table below. The section implementing the voter registration cards is contingent upon an appropriation from the General Assembly.

Estimated One-Time Costs to the Secretary of State's Office to Implement HF 516			FY 2018
Division II	IVoters Programming Costs		\$ 65,120
Division II	Initial Voter Registration Card Costs		85,000
Division VII	Education and Outreach Costs		50,000
Total			<u>\$ 200,120</u>

## Estimated Costs to Local Governments

- There may be increased postage and mailing costs for some counties due to the requirement that the voter verification number be kept confidential; however, those costs cannot be determined at this time and the number of counties impacted is unknown. (Division I)
- There may be increased provisional ballots and envelope costs for some counties due to the requirements of having an ID to vote and for same-day registrants in precincts where e-poll books are currently not in use; however, those costs cannot be determined at this time and the number of counties impacted is unknown. (Division I)
- The Bill does not mandate that the precincts use e-poll books, but should the precincts decide to purchase e-poll books, there may be a significant cost to the counties. The Bill establishes a revolving loan fund under the control of the SOS Office, but does not provide an appropriation to the Fund. (Division III)

- Depending on the size of the precinct and the size of the county, the post-election audit may require some additional overtime hours for county auditor staff; however, no specific information is available at this time. (Division IV)
- Eliminating straight party voting may cause longer lines at polls and poll workers may work additional hours. The impact cannot be determined at this time. According to the SOS Office, this provision is anticipated to have minimal impact. (Division VI)

**Sources**

Secretary of State's Office  
Department of Human Rights, Division of Criminal and Juvenile Justice Planning  
Department of Transportation  
Iowa Association of Counties  
Judicial Branch

Holly M. Lyons

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March 21, 2017

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The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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