

December 16, 2013

Hon. Kamala D. Harris
Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

Attention: Ms. Ashley Johansson
Initiative Coordinator

Dear Attorney General Harris:

Pursuant to Elections Code Section 9005, we have reviewed the proposed initiative related to voter identification (A.G. File No. 13-0039).

Background

Vote by Mail. Any registered voter may vote using a vote-by-mail ballot instead of voting at a polling location on the day of an election. California law also allows any registered voter to become a permanent vote-by-mail voter.

Voter Identification. Federal law requires first-time voters who register by mail to provide identification at some point in the voting process (either when registering or voting). If identification is not provided, first-time voters can still cast a “provisional” ballot. Provisional ballots are conditional ballots, with voting eligibility confirmed after the election. Other voters are not required to show identification when they vote in person at polling places. The identification of voters who vote using a vote-by-mail ballot is verified by matching the voter’s signature on the ballot to the signature on the voter’s affidavit of registration.

State Mandates. When the state mandates that a local government provide a new program or higher level of service, the State Constitution generally requires the state to reimburse the local government. If a new law is determined to be a reimbursable state mandate, the Legislature is required to fund local government costs for the mandate, suspend the mandate, or repeal the mandate. Suspending or repealing the mandate does not eliminate the state’s obligation to reimburse local governments for any costs incurred in prior years during which the mandate was active.

Department of Motor Vehicles (DMV) Fees for Identification. The DMV assesses fees for new and replacement identification cards. These fees are \$27 for most individuals. For individuals that meet certain low-income eligibility requirements, the fee is \$8. There is no charge for seniors.

Proposal

This statutory initiative makes various changes to state elections law. These changes are described below.

Requires Voters to Provide Identification for Voting at Polling Place. The measure requires all voters who vote in person at polling places to show identification. Voters not providing the required identification could still cast provisional ballots.

Requires Additional Procedures for Vote-by-Mail Forms. The measure requires a voter applying to vote by mail to provide a photocopy of photo identification as well as additional identification information not required by current law. A voter also would be required to provide additional identification information on his or her vote-by-mail ballot.

Requires Election Officials to Post Procedures for Public Review. The measure requires election officials to post procedures for processing vote-by-mail ballots for public review at least 48 hours prior to processing vote-by-mail ballots.

Waives Fees for Identification Cards Used to Vote. The measure waives any fees associated with obtaining a valid identification card for the purpose of voting at a polling place.

Creates Certain Requirements for Elections Mandates. The measure specifies that “local agency reimbursement from the state shall not be suspended for performance of duties mandated by the Elections Code” or any other statutes related to elections.

Fiscal Effects

Election Costs. For each election, counties determine the number of voting precincts to use and the level of resources—such as the number of workers used at polling locations and in processing provisional ballots—to employ based, in part, on expectations about the number of voters and processing time for standard and provisional ballots. Some counties may increase the number of elections workers or polling locations used in response to (1) the need to verify additional information at polling places and in processing vote-by-mail ballots and (2) a potential increase in the number of provisional ballots which generally take longer to process than standard ballots. To the extent this occurred, it would result in increased county costs. Counties also may incur additional costs due to increased processing time for vote-by-mail applications. Furthermore, election officials may incur costs in posting vote-by-mail procedures for public review. While the total costs of these activities is not known, based on county claims for state mandate reimbursement for similar election activities in previous years, we estimate that implementing these provisions could cost in the low tens of millions of dollars per year.

DMV Identification Card Fee Revenue. The DMV collects about \$30 million in fee revenue each year from new and replacement identification issuances. To the extent that individuals requested identification cards for the stated purpose of voting in a polling place, there could be reductions in the amount of fees collected by the state for new and replacement identification cards.

Mandate Costs. The state owes local governments about \$100 million for reimbursement of prior year costs to comply with various state elections mandates. (In recent years, state elections mandates have been suspended annually. Under state law, local governments are not required to implement suspended mandates and the state does not incur additional financial responsibilities related to them.) Current law requires the state to pay some of the \$100 million owed to local governments between 2015-16 and 2020-21, but does not establish a timeline for paying the rest. While the terms of the measure are not clear, the provisions specifying that state reimbursement shall not be suspended could be interpreted as requiring the state to pay the entirety of the elections-related mandate backlog

promptly. If so, the state would experience increased near term costs of about \$100 million, offset by decreased future costs of a comparable sum.

Summary of Fiscal Effects. This measure would have the following fiscal impact:

- Increased local government elections costs and decreased state fee revenues, potentially in the range of tens of millions of dollars per year.
- Potentially increased state funding (about \$100 million) to local governments, offset by an equal amount of decreased state funding to local governments in future years.

Sincerely,

Mac Taylor
Legislative Analyst

Michael Cohen
Director of Finance