

Fiscal Estimate Narratives

DOT 4/11/2011

LRB Number	11s0078/1	Introduction Number	SSA1-SB6	Estimate Type	Supplemental
Description Requiring certain identification in order to vote at a polling place or obtain an absentee ballot; absentee voting procedure in certain residential care apartment complexes and adult family homes; a requirement for electors to provide a signature when voting in person at an election; the duration of residency for voting purposes; and issuance of operator's licenses and identification cards by the Department of Transportation					

Assumptions Used in Arriving at Fiscal Estimate

BILL SUMMARY

Under existing law, WisDOT charges a fee to all persons renewing (\$28) or obtaining an original (\$28) or duplicate (\$16) identification card. Current law requires all Department of Transportation (DOT) issued identification (ID) cards contain a photograph of the applicant. This bill proposes that an applicant for an original or renewal ID card, and for reinstatement after cancellation of the ID card, may be issued the document at no charge provided they are a US citizen, will be at least 18 years old on the date of the next election, and they request the ID card be issued without charge for the purposes of voting. Those persons applying for duplicate ID cards must still pay the \$16 duplicate fee.

This bill provides that applicants for an ID would be eligible for a "valid without photo" ID card if they have sincerely held religious belief against being photographed. The provision allowing the "valid without photo" ID card is repealed when DOT implements the requirements of the 2007 Wisconsin Act 20 provisions of the federal REAL ID Act, which then requires each drivers license and identification card issued to include the person's photograph. A person would also be able to use these documents to register or vote at the polls on election day.

SB-6 creates new non REAL ID compliant driver's license (DL) and ID card products to be issued after DOT implements the requirements of the 2007 Wisconsin Act 20 provisions of the federal REAL ID. These non-compliant products are allowable under the Federal REAL ID Act. Current Wisconsin law relating to meeting federal REAL ID requirements does not allow a non-compliant product to be issued once Wisconsin begins issuing REAL ID-compliant DL and ID cards.

The non-compliant option will assist those currently eligible for a Wisconsin product who are either unwilling to obtain a compliant product (for example, someone who doesn't plan on any air travel or who has concerns about this federally mandated program) or those who are unable to provide documentation necessary to obtain a compliant product despite currently holding a valid Wisconsin product (for example, people who either immigrated legally long ago but do not have the required documentation or women who have been married multiple times but cannot provide proof of each marriage to demonstrate their progression of name changes as REAL ID requires). When used for purposes of voting, a non-compliant DL or ID card will have the same status as a fully REAL ID compliant product. The non-compliant product may not be accepted by any federal agency for federal identification. The amendment provides an exception for non-compliant products the verification of documents required under federal law for proof of identification of the applicant's full legal name and date of birth, their social security number or verification the applicant is not eligible for one, the name and address of their principal residence, and documentary proof they are a citizen or national of the United States, or alien lawfully permitted for permanent or temporary residence in the United States.

Applicants for a non-compliant product will continue to be eligible for a "valid without photo" DL or ID card if they have sincerely held religious belief against being photographed. The non-compliant ID card may be issued at no charge provided the applicant is a US citizen, will be at least 18 years old on the date of the next election, and they request the ID card be issued without charge for the purposes of voting.

The amendment also allows the department to issue a 60-day receipt to be used as a temporary driver's license or ID card while the application for a DL or ID card is being processed. The amendment also allows driving receipts to be issued for authorization for the operation of commercial motor vehicles. If the receipt is for a non-compliant DL or ID card, it must include a marking indicating the receipt is for a non-compliant product. The receipts issued for non-compliant products may be issued without a photo provided the

applicant meets the requirements for receiving a product that does not contain a photograph.

ASSUMPTIONS

This proposal allows some residents to receive a governmental service at no charge while others are charged. This inequity is based solely on a person being at least 18 years old and knowing to ask for the service for free for the purposes of voting and not on any other criteria. It also does not charge for original and renewal identification cards but continues to charge the fee to obtain a duplicate ID card.

Although it appears this proposal is intended to provide ID cards at no cost to assist in providing proof of identity for persons attempting to register or vote at the polls, the language would actually provide ID cards at no cost to most, if not ALL applicants, except those applying for a duplicate ID card, provided they ask for the product at no cost, whether or not they are eligible to vote.

Current law requires all ID cards to contain a photograph of the applicant. This proposal allows an ID card to be issued without a photograph to those people having a sincerely held religious belief against being photographed.

When DOT implements the requirements of the 2007 Wisconsin Act 20 provisions of the federal REAL ID Act, this bill creates a non REAL ID compliant DL and ID card. Applicants for non-compliant products must still meet legal presence and proof of identity requirements, but may not have all federally required documentation to obtain a compliant product or simply may choose to obtain a compliant product.

The non-compliant products will appear substantially similar to ID Cards, but must be readily identifiable as different than a compliant ID card or drivers license and must clearly state the certificate is not acceptable for identification for any federal agency. Non-compliant products can be issued without photographs provided the applicant meets the required criteria and non-compliant ID cards can be issued at no cost to the applicant provided they are a US citizen, will be at least 18 years old on the date of the next election, and they request the ID card be issued without charge for the purposes of voting.

As a step to comply with the security requirements of the federal REAL ID Act, DOT expects to begin issuing most Driver License (DL) and ID card products from a central location beginning in late May, 2011. This proposal allows DOT to issue 60-day receipts for DLs and ID cards to be used as a temporary driver's license or ID card while the application for a DL or ID card is being processed. These receipts may be issued with or without photographs, depending on whether the applicant is obtaining a REAL ID compliant or non-compliant product.

When attempting to determine costs for this proposal, we also used the following assumptions:

-20% of Wisconsin residents who do not currently hold a driver's license or identification card will seek an ID card due to the requirements proposed in this bill.

-70% of applicants for an original or renewed identification card will be issued a free card.

-The department will not refund any fees paid for identification cards prior to the effective date of this bill.

CONCLUSIONS

COST SUMMARY

- \$1,915,782 net loss of annual revenue for issuing free ID cards to customers for which we previously collected fees.
- \$61,180 (1.4 FTE) net annual cost increase for issuing ID cards to new customers who obtain them for the purposes of voting.
- \$18,038 for an ongoing annual cost to issue ID cards at no fee to voting age Wisconsin residents who request an ID card at no charge for the purposes of voting.

Estimated Annual WisDOT revenue from ID card fees (based on 90% of the total of original and renewal ID cards issued in 2010):

Originals – 39,341 @ \$28 = \$1,101,548

Renewals – 58,403 @ \$28 = \$1,635,284

Total Annual Revenue \$2,736,832

- Assuming 70% of those who currently pay for the ID card will now request it to be issued for no charge; the net loss of annual revenue will be \$1,915,782.

- The average number of original ID cards issued in 2008, 2009, and 2010 was 40,083. We estimate that an additional 20% of this number, or 8,017 residents, hold neither a driver license nor ID card and will apply for an ID card for the purposes of voting. Each ID takes 18.6 minutes to issue. This new work requires 1.4 FTE at an annual ongoing cost of \$61,180 (1.4 FTE @ \$43,700 DMV Field Agent Salary and Fringe).

- Under contract WisDOT will pay \$2.25 for each driver license ID product issued to cover equipment and materials costs. The 8,017 new customers would cause an ongoing annual cost increase of \$18,038 under WisDOT's new contract with our DL/ID vendor.

Long-Range Fiscal Implications

See above.

Fiscal Estimate Worksheet - 2011 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$61,180		\$
(FTE Position Changes)	(1.4 FTE)		
State Operations - Other Costs	18,038		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$79,218		\$
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS			
SEG/SEG-S (s. 20.395(5)(cq))	79,218		
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S (s.20.395(5)(cq))		-1,915,782	
TOTAL State Revenues	\$	\$-1,915,782	
NET ANNUALIZED FISCAL IMPACT			
	<u>State</u>	<u>Local</u>	
NET CHANGE IN COSTS	\$79,218	\$	
NET CHANGE IN REVENUE	\$-1,915,782	\$	
Agency/Prepared By Authorized Signature Date			
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