

## FISCAL IMPACT OF PROPOSED LEGISLATION

Measure: HB 2107 - A

82nd Oregon Legislative Assembly – 2023 Regular Session

Legislative Fiscal Office

*Only Impacts on Original or Engrossed Versions are Considered Official*

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### Measure Description:

Directs the Secretary of State to establish the schedule, format, and frequency by which the Oregon Health Authority will provide to the secretary electronic records, derived from the Oregon Health Plan, containing the legal name, age, residence, citizenship information, and any electronic signature of each person who is eligible to register to vote in Oregon. Extends automatic voter registration to the Oregon Health Authority.

### Government Unit(s) Affected:

Secretary of State, Counties, Oregon Health Authority, Department of Human Services, Oregon Department of Transportation

### Summary of Fiscal Impact:

Costs related to the measure are indeterminate at this time - See explanatory analysis.

### Analysis:

House Bill 2107 A-engrossed, subject to applicable federal laws and regulations, directs the Secretary of State (SOS) to establish the schedule, format, and frequency by which the Oregon Health Authority (OHA) will provide to SOS electronic records, derived from the Oregon Health Plan (OHP), containing the legal name, age, residence, citizenship information, and electronic signature (if any) of each person who is eligible to register to vote in Oregon elections. SOS must develop a process to obtain a person's electronic signature from the Oregon Department of Transportation (ODOT) when it is not provided by OHA. SOS or a county clerk must notify each person of the process to decline registration, adopt political party affiliation, and provide a signature if a signature was not provided by OHA or ODOT. SOS must adopt rules that ensure that no ballot is counted for a person registered to vote whose registration record does not contain an electronic signature. The measure extends automatic voter registration to OHA; however, OHA may not provide records for any person who is not a United States citizen. SOS, OHA, ODOT, and county clerks may take action to implement the measure prior to its operative date. The measure takes effect on January 1, 2024, and it becomes operative on June 1, 2026.

### Secretary of State

The measure may have a fiscal impact on SOS, though the impact is presently indeterminate. At the outset, it should be noted that because the Centers for Medicare and Medicaid Services (CMS) currently prohibit states from sharing information about Medicaid recipients for purposes of automatic voter registration, the measure is not anticipated to have a fiscal impact on the SOS Elections Division until federal approval is granted. However, it is unknown when or if federal approval will be granted. Because the measure does not become operative until June 1, 2026, the measure is not anticipated to impact SOS until after the 2023-25 biennium. However, this assumes that CMS will eventually grant federal approval to states to use Medicaid information for automatic voter registration, which may or may not happen.

The fiscal impact on the SOS Elections Division is indeterminate because it is unknown whether SOS would need additional resources to facilitate the electronic transfer of records from OHA and ODOT to SOS. Without federal approval and administrative rules regarding the transfer of information about Medicaid recipients, it is unclear whether SOS would need to develop a more secure portal for the transfer of information about Medicaid

recipients. The measure also directs SOS, upon receipt of the electronic records, to provide the information to county clerks. The cost of providing this information to counties is unknown, as it would depend on whether it is provided electronically or by mail, and if provided by mail, how much information is provided, how frequently the information is provided, and the size and weight of the envelopes. Assuming SOS were to provide this information to counties by mail, SOS would incur additional printing and postage costs.

Additionally, the measure requires SOS or county clerks to notify each person of the process to decline registration, adopt political party affiliation, and provide a signature if a signature was not provided by OHA or ODOT. It is unknown whether SOS or county clerks, or both, would notify these persons, and if so, what additional resources SOS or county clerks would need to process declined registration, political party registration, or providing a signature. Even assuming SOS were to provide the notice, it is unknown if SOS would provide this notice electronically or by mail. If provided by mail, the SOS Elections Division may incur additional printing and postage costs. The estimated cost of mailing these notices would depend on how many individuals are mailed the notice each year, the frequency of the notices, the size and weight of the envelopes, and whether it would include return-postage for a person to respond.

### **Counties**

The measure is anticipated to have a fiscal impact on counties, though the impact is presently indeterminate. The measure requires county clerks or SOS to notify each person of the process to decline registration, adopt political party affiliation, and provide a signature if a signature was not provided by OHA or ODOT. It is unknown whether county clerks or SOS, or both, would notify these persons, and if so, what additional resources county clerks or SOS would need to process declined registration, political party registration, or providing a signature. Even assuming county clerks were to provide the notice, it is unknown if county clerks would provide this notice electronically or by mail. If provided by mail, county clerks may incur additional printing and postage costs. The estimated cost of mailing these notices would depend on how many individuals are mailed the notice each year, the frequency of the notices, the size of the envelopes, and whether they include return-postage for a person to respond.

### **Department of Human Services**

The fiscal impact on the Department of Human Services (DHS) is indeterminate, though it is anticipated to be minimal. DHS is responsible for determining Oregon Health Plan eligibility and operates the ONE system, which is a software application that determines eligibility for medical, food, cash, and childcare assistance programs. The ONE system captures signatures by voice, electronic, and handwritten signatures, which are then turned into data reports and sent to SOS for voter registration. However, the ONE system does not currently capture signatures or coordinate voter registration for OHP recipients because DHS does not currently have federal approval from CMS to share information about the state's Medicaid (OHP) recipients. Assuming CMS grants federal approval by June 1, 2026, the measure is not anticipated to impact DHS until after the 2023-25 biennium. It is unknown whether the ONE system would need to be updated to capture other forms of electronic signature, as it will depend on federal guidance from CMS and DHS/OHA rulemaking. The fiscal impact on DHS is indeterminate because the ONE system may need to be updated to capture other forms of electronic signature for OHP recipients. While the cost of updating the ONE system is indeterminate, it is anticipated to be minimal.

### **Other Government Units**

The measure is anticipated to have a minimal fiscal impact on OHA and ODOT.