

March 3, 2003

Hon. Bill Lockyer
Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

Attention: Ms. Tricia Knight
Initiative Coordinator

Dear Attorney General Lockyer:

Pursuant to Elections Code Section 9005, we have reviewed the proposed initiative regarding fines for eligible voters who do not register or vote (file number SA2003RF0001).

Major Provisions

Under current law, California residents who are eligible to vote are not subject to any penalties if they choose not to register. Likewise, once registered, residents are not subject to any penalties if they choose not to vote. The state currently has roughly 21.5 million eligible voters. Over the past ten statewide elections, an average of 73 percent of eligible voters have registered and 39 percent of eligible voters have voted.

This measure requires that any eligible voter who does not register or vote in a statewide election be fined no less than \$50. There are two statewide elections each even-numbered year.

Fiscal Effect

Potential Revenues. Based on current numbers of eligible voters and recent voting participation, the number of residents subject to fines under this measure could range from 10 million to more than 15 million. Assuming the new fine was set at the minimum \$50 level, this would translate into *potential* revenues ranging from \$500 million to \$750 million at each statewide election. The revenues collected, however, would likely be lower since:

- The prospect of a fine could encourage more eligible voters to register and vote at elections.
- Collecting the fines from residents could prove administratively difficult.

It is unknown to what extent these factors would lower the level of fines assessed and collected.

Administrative Costs. The measure does not specify the mechanism for assessing and collecting fines from eligible voters. The costs of administering the fines, therefore, would depend on the Legislature's decisions on implementing an administrative system. Given the large number of potential fines, the costs for the system likely would be significant.

Summary

The measure would result in the following major fiscal impacts:

- Increased revenues from fines on eligible voters not registering or voting—potentially totaling hundreds of millions of dollars each statewide election.
- Unknown, but likely significant, administrative costs.

Sincerely,

Elizabeth G. Hill
Legislative Analyst

Steve Peace
Director of Finance