

Memorandum

Date: May 21, 1996

To: Representative Lanier Cansler

From: Tom Covington, Director
Fiscal Research Division /s/ TomC

Mark Trogdon, Fiscal Analyst
Fiscal Research Division

Re: Evaluation of House Bill 1159 in regards to **Certification of legislation required by federal law (G.S. 120-36.8)**

In compliance with G.S. 120-36.8, Certification of legislation required by federal law, the Fiscal Research Division, in consultation with the Research and Bill Drafting Divisions, is providing this memorandum to identify federal law requiring the enactment of certain provisions in House Bill 1159.

HB 1159 – Provisions Required Due to Federal Law

House Bill 1159, Lift ESC Voter Sunset, removes the July 1, 1996 sunset on conducting voter registration at Employment Security Commission (ESC) offices. Notwithstanding future changes in state or federal laws, removing this sunset would permanently establish ESC as an authorized state agency for conducting voter registration.

Federal law, in the form of the National Voter Registration Act -- P.L. 103-31 (NVRA), requires the state to conduct voter registration at agencies whose primary mission is the following: public assistance, services for the disabled, or driver licensing.¹ The NVRA also requires each state to designate an additional agency to conduct voter registration other than those providing public assistance, services for the disabled, or driver licensing.²

In order to comply with the federal NVRA's additional agency requirement, the 1994 General Assembly directed Employment Security Commission offices to conduct voter registration up to a sunset date of January 1, 1996. The 1995 General Assembly further extended ESC's designation to a revised sunset date of July 1, 1996. Consequently, if the State does not either remove or extend the current sunset, or designate another state agency to conduct voter registration, it will be out of compliance with federal voter registration law.

HB 1159 -- Provisions Not Required By Federal Law

1 Sec. 5 [driver licensing], NVRA: Sec. 7(a) (2) [public assistance], NVRA.
2 Sec. 7(a) (3) [additional agency], NVRA.

House Bill 1159 also authorizes a funding source for voter registration activities at ESC offices. While funding is not specifically required by the NVRA, federal rules require the ESC to charge the time it allocates to voter registration activities to a funding source.

In order to fund voter registration at ESC offices, the proposed bill allows the agency to use either authorized federal funds it receives, or penalties and interests receipts it collects from certain employers under provisions of Unemployment Insurance law. The ESC currently estimates voter registration costs at approximately \$500,000 annually. Since January 1, 1995, funding for these costs has been provided from the State's Worker Training Trust Fund (non general fund). However, the authorization for this funding will expire June 30, 1996.

Thank you.

Cc: Gerry Cohen
Bill Gilkeson



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