

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3589-03
Bill No.: HCS for HB 1461 and 1470
Subject: Elections: Secretary of State
Type: Corrected
Date: February 21, 2002
#Corrected Total Estimated Net Effect on All State Funds

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
General Revenue	\$106,302 to (Unknown)	(\$112,358 to Unknown)	(\$820,172 to Unknown)
Highway	(\$7,650)	(\$9,181)	(\$9,181)
Total Estimated Net Effect on <u>All</u> State Funds	#\$99,6520 to (unknown)	(\$121,539 to Unknown)	(\$829,353 to Unknown)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Local Government	Unknown to (Unknown)	Unknown to (Unknown)	Unknown to (Unknown)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 9 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of State Courts Administrator** assume no fiscal impact to the State's Courts.

Officials of the **Office of Attorney General** assume any additional duties or cost can be absorbed at current appropriation levels.

Officials of the **Office of Secretary of State (SOS)** stated they would need 2 FTE (Grant Officers) to administer the grants program contained in this proposal. Officials estimate costs for 2 Grant Officers with Fringe Benefits and Equipment at \$98,698 for 10 months of FY 2003; \$112,358; in FY 2004; and \$115,172 in FY 2005. Expenses includes the grant programs which are the following: 1) Updating voting processes and equipment, cost not to exceed \$5,000,000 and is **subject to appropriation**; 2) increasing pay for election Judges, cost on even numbered years, \$0 to \$25,000, and on odd numbered years \$50,000 to \$100,000 and is **subject to appropriation**; and 3) funding requests for advanced voting programs during presidential elections which would be submitted by local election authorities to the Secretary of State, who would then submit them to the Governor. The amount of cost is Unknown due to the variances in the requests to implement advanced voting in each county; 4) youth voting program, costs not to exceed \$100,000, and is **subject to appropriation**; 5) funds to election authorities to purchase accessible voting equipment for individuals with disabilities or special needs not to exceed \$5,000,000 and would be **subject to appropriation**; and, 6) Elections Division, would make rules and regulations which could require as many as approximately 100 pages in the Code of State Regulation. For any given rule, roughly one-half again as many pages are published in the Missouri Register as are published in the Code because of costs statements, fiscal notes and notices that are not published in the Code. The estimated costs of a page in the Code is \$27.00, and the estimated cost of a page in the Missouri Register is \$23.00. The actual fiscal impact in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, and withdrawn. **Publication costs will be shown as (Unknown).**

Oversight would point out that Section 115.126.3 states that "No advance voting or other absentee voting program authorized pursuant to this section shall occur when the state has failed to appropriate funds to pay its obligations." Therefore, Oversight will show fiscal impact on advanced voting, and other programs that are "Subject to Appropriation", as \$0 to (a certain amount).

ASSUMPTION (continued)

Officials of the **Office of Administration (OA)** assume this proposal would have no increase in responsibilities. Officials stated that payments to counties where no filing fee is required for Committeewoman/man races, where there is only one candidate, would be eliminated. For OA, this proposal would affect budgeting for uncontested Committeewoman/man where there is no filing fee. The estimated costs of \$205,000 in even numbered calendar years would be eliminated.

Oversight will show a savings to the State's Special Elections Fund of \$205,000 in FY's 2003 and 2005.

OA officials stated that there would be costs associated with (Section 115.126.3) Early Voting. Officials assume based on news articles, quoted in February 6, 2001 Columbia Missourian, that costs of early voting would range from \$600,000 to \$3,960,000. Officials estimated costs to St. Louis County at \$2,800,000, Jackson County at \$20,000 and the rest of the state's counties at \$1,140,000. OA officials stated that the meaning "financial obligation" as used in Section 115.126 is subject to dispute and could be viewed to include additional costs not addressed in this fiscal note.

OA officials estimated the cost for publishing notice of early voting to be \$310,000 based on per capita publication costs from 2000 Primary and General elections, and per capita costs for Special elections paid for by the state. Actual costs would vary depending upon the size of publications and how many election authorities would establish a program of early voting.

Officials of the **Department of Revenue (DOR)** stated that their Customer Assistance Bureau manages operations in the driver license and motor vehicle registration field office. Officials assume the Bureau would require additional funding for postage associated with more frequent mailing of voter registration applications to local election officials, (Section 115.131.3).

DOR officials assume that in order to comply with this legislation and to take into consideration the wide array of office business hours of all the field offices, the Customer Assistance Bureau would require each license office to mail the applications twice per week. Currently, offices mail the applications once per week. Officials estimate the additional cost of postage and supplies for 10 months of FY 2003 at (\$7,650); (\$9181) in FY 2004; and (\$9181) in FY 2005. Officials stated that cost would be to the State's Highway Fund.

ASSUMPTION (continued)

Officials of the **Kansas City Board of Election Commission** stated that this proposal provides for a number of new duties. Officials estimate that a 10% increase in costs seems likely. Officials estimate that additional costs could be as much as \$38,750. Officials assume costs would be driven by providing bi-lingual ballots, instructional posters, youth voting, additional locations, and numerous rules for absentee procedure.

Officials of the **Boone County Clerk's Office** stated that this proposal would have fiscal impact to Boone County.

Officials stated that there would be savings realized from the following changes:

1) Section 115.613- Removing uncontested County Committee races from the ballot. Officials estimate the there would be savings to the state of approximately \$200,000, and Boone County would realize savings of approximately \$8,000.

2) Section 115.081- Changing the number of Judges at the polling place would provide some savings. Officials stated that under current practices, if they need more than 4 workers they would have to provide 6 workers. This proposal would allow more flexibility and would allow us to use 5. Similarly, if the county would need more than 6 workers, the county would have to use 8 additional workers. At approximately \$100 per worker the county would save a considerable amount over the course of 4 or 5 elections in a year.

3) Section 115.163- Authorizing use of NCOA program. This cuts mailing costs for undeliverable mail from .33 to .15. Savings, (based on prior mailings of approximately 4,000 letters every 2 years), to Boone County would be approximately \$720. Boone County has a highly mobile population.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
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GENERAL REVENUE FUND

<u>Savings</u> to Office of Administration Committeewoman/man election costs (Section 115.613)	<u>\$205,000</u>	<u>\$0</u>	<u>\$205,000</u>
<u>Cost</u> of Publishing Early Voting Notice	\$0	\$0	(\$310,000)
<u>Total</u> Effect to Office of Administration	<u>\$205,000</u>	<u>\$0</u>	<u>(\$105,000)</u>

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
Cost to Secretary of State			
Personal Service (2 FTE)	(\$66,707)	(\$82,050)	(\$84,101)
Fringe Benefits	(\$24,021)	(\$29,546)	(\$30,285)
Equipment	(\$7,970)	(\$762)	(\$786)
Expense:			
Publication Costs Rules and Regulations	(Unknown)	(Unknown)	(Unknown)
Grant-Accessible Voting Equip*.(Section 115.076)	\$0 to (\$5,000,000)	\$0 to (\$5,000,000)	\$0 to (\$5,000,000)
Grant-Youth Voting Program * (Section 115.801)	\$0 to (\$100,000)	\$0 to (\$100,000)	\$0 to (\$100,000)
Grant-Election Equipment * (Section 115.074)	\$0 to(\$5,000,000)	\$0 to(\$5,000,000)	\$0 to (\$5,000,000)
Grant-Election Judges Pay * (Section 115.102)	\$0 to (\$100,000)	\$0 to (\$25,000)	\$0 to (\$100,000)
Advanced Voting Program* (Section 115.126)	<u>\$0</u>	<u>\$0</u>	<u>(\$600,000 to \$3,755,000)</u>
Total Effect to Secretary of State	<u>(\$98,698 to Unknown)</u>	<u>(\$112,358 to Unknown)</u>	<u>(\$715,172 to Unknown)</u>
ESTIMATED NET EFFECT TO GENERAL REVENUE FUND	<u>\$106,302 to (Unknown)</u>	<u>(\$112,358 to Unknown)</u>	<u>(\$820,172 to Unknown)</u>

* SUBJECT to APPROPRIATION

HIGHWAY FUND

Costs to Department of Revenue for postage and supplies (Section 115.151.3)	(\$7,650)	(\$9,181)	(\$9,181)
ESTIMATED NET EFFECT TO HIGHWAY FUND	<u>(\$7,650)</u>	<u>(\$9,181)</u>	<u>(\$9,181)</u>

FISCAL IMPACT - Local Government

FY 2003
(10 Mo.)

FY 2004

FY 2005

**LOCAL ELECTION AUTHORITIES
 COUNTIES**

Income to Counties

for reimbursement from SOS for:

	\$0 to	\$0 to	\$0 to
Election Equipment (Section 115.074)*	\$5,000,000	\$5,000,000	\$5,000,000
Election Judges Pay (Section 115.102)*	\$0 to \$100,000	\$0 to \$25,000	\$0 to \$100,000
Advanced Voting (Section 115.126)*	\$0	\$0	\$600,000 to \$3,755,000
Accessible Voting Equipment (Section 115.076)	\$0 to \$5,000,000	\$0 to \$5,000,000	\$0 to \$5,000,000

Savings to Certain Counties

from:

Section 115.613- Committeewoman/man uncontested race	Unknown	Unknown	Unknown
Section 115.081- Judges required	Unknown	Unknown	Unknown
Section 115.163- Authorizing use of NCOA program	Unknown	Unknown	Unknown

Cost to Counties

from providing election items:

Accessible Voting Equipment*	\$0 to (\$5,000,000)	\$0 to (\$5,000,000)	\$0 to (\$5,000,000)
Administrative Impact from additional duties contained herein.	(Unknown)	(Unknown)	(Unknown)
Election Equipment *	\$0 to (\$5,000,000)	\$0 to (\$5,000,000)	\$0 to (\$5,000,000)
Election Judges Pay Increase *	\$0 to (\$100,000)	\$0 to (\$25,000)	\$0 to (\$100,000)
Advanced Voting Program *	\$0	\$0	(\$600,000 to \$3,755,000)

**ESTIMATED NET EFFECT TO
 LOCAL GOVERNMENTS**

Unknown to
(Unknown)

Unknown to
(Unknown)

Unknown to
(Unknown)

*** SUBJECT TO STATE
 APPROPRIATION**

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This substitute makes numerous changes to the election laws. In its main provisions, the substitute:

- (1) Allows computerized voting systems to be certified for use in Missouri;
- (2) Allows independent and third party members to serve as election judges;
- (3) Prohibits employers with 50 or more employees from firing or disciplining employees appointed as election judges. These employees may be absent from work for the amount of time that the election authority requires their service as election judges. Employees discharged in violation of this section may bring a civil action against the employer for lost wages, reinstatement, and attorney fees;
- (4) Allows caretakers of the disabled and elderly to vote by absentee ballot;
- (5) Subject to appropriation, provides state grants for election judge compensation, for youth voting programs, and to upgrade local election equipment, including accessible voting equipment;
- (6) Removes uncontested committee races from ballots;
- (7) Closes certain voter registration records by court order if the voter's safety is at issue;
- (8) Allows international election observers;
- (9) Allows persons in federal service to return absentee ballots by electronic means;
- (10) Prohibits use of the butterfly ballot unless approved by the Secretary of State;
- (11) Requires that voting instructions be clearly posted at all polls;
- (12) Gives local election authorities the option to mail out sample ballots to voters and print sample ballots only one time in newspapers. Current law requires two newspaper printings;

DESCRIPTION (continued)

- (13) Extends the time period allowed for testing voting equipment from five to 14 days;
- (14) Upon appropriation, requires all election authorities to establish an advance voting period for presidential elections, which will begin 14 days before an election and end on the Wednesday immediately before an election. The election authority must establish and post the hours and locations for advance voting and publish this information in newspapers;
- (15) Requires voter registration agencies under the National Voter Registration Act to submit registration applications within five days of completion of the registration form;
- (16) Requires election authorities to accept absentee ballot applications by facsimile transmission;
- (17) Authorizes the Secretary of State to investigate election violations;
- (18) Prohibits certain persons who register to vote by mail from voting by absentee ballot until they have first voted in person and presented proper identification at a polling place; and
- (19) Allows the Secretary of State to develop multilingual sample ballots and voting instructions.

The substitute has an emergency clause for one section.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Secretary of State
Office of Attorney General
Office of State Courts Administrator
Office of Administration
Boone County Clerk
Kansas City Board of Election Commission

NOT RESPONDING

St. Louis County and City Board of Election Commission
and the County Clerks of : Callaway, Cass, Greene, Marion, and Jefferson Counties



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February 21, 2002