

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4451-01
Bill No.: HB 1052
Subject: Elections; Political Parties
Type: Original
Date: February 17, 2011

Bill Summary: This proposal establishes a closed primary election system.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	(\$2,394,008)	(\$26,615)	(\$26,615)
Total Estimated Net Effect on General Revenue Fund	(\$2,394,008)	(\$26,615)	(\$26,615)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	(Unknown)	(Unknown)	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the Secretary of State (SOS)** assume section 115.157 of this proposal will require local election authorities to notify each voter who is currently registered without a party affiliation that they may update the person's registration to reflect party affiliation. The fiscal note assumes that every current registered voter will be required to receive a notice by mail upon implementation of the proposal, incurring a cost of \$1,694,008 for additional printing of voter registration cards at \$.15 per card and a mailing cost of \$.26 per card for the 4,082,600 registered Missouri voters as of December 2011.

Mailing to all Missouri registered voters:

4,082,600 registered voters x \$0.26 postage= \$1,061,476

4,082,600 registered voters x \$.15 printing and processing=\$632,532

The bill may impose new requirements on local election authorities relating to processes with regard to notifying and processing voter registration applications. These new state mandates may be funded as additional responsibilities under Article X, section 21 of the Missouri Constitution.

This proposal will require significant amendment to the Missouri Centralized Voter Registration Database to allow for the electronic data field "Party Affiliation" to be added along with internal processing, data table linking, sorting, searching and reporting modifications. These changes would cost an estimated \$700,000 for seven technical resources paid \$100 dollars per hour for 1,000 hours a piece.

This proposal will allow anyone wishing to change their political party affiliation to do so in the same manner as updating their registration address. This could result in up to a 30% increase demand for voter registration applications each year in order to change party affiliation.

Additional printing of voter registration applications:

1,108,942 address or name changes made in 2010 x 30% = 332,683 voter registration applications

332,683 voter registration applications x \$.08 printing and processing = \$26,615

Officials at the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

For the purpose of this proposed legislation, officials at the **Office of State Public Defender (SPD)** cannot assume that existing staff will provide effective representation for any new cases

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ASSUMPTION (continued)

arising where indigent persons are charged with the proposed new crimes regarding voting or attempting to vote in a primary election other than that for which the person's party designated party affiliation qualifies the person to vote.

While the number of new cases (or cases with increased penalties) may be too few or uncertain to request additional funding for this specific bill, the SPD will continue to request sufficient appropriations to provide effective representation.

Oversight assumes the SPD can absorb the additional caseload that may result from this proposal.

Officials at the **Department of Corrections, Office of State Courts Administrator** and the **Office of Prosecution Services** assume that there is no fiscal impact from this proposal.

Officials at the **Platte County Board of Election Commission** assume in FY 2013, the following additional costs from this proposal:

1. Initial Mailing/Contact with current registered voters to obtain Party Affiliation:
 - a. Create/Print a capture form for mailing - \$5,000
 - b. Letter of explanation to voters - \$1,500
 - c. Envelopes for mailing - \$2,000
 - d. Postage – (guessing \$0.45/piece) - \$30,000
 - e. Labels for voters - \$2,000
 - f. Labor to process mailing - \$2,000
 2. Update current voter registration cards to add Party Affiliation: \$5,000
 3. Follow up to non-responsive voters to initial capture letter/form:
 - a. Form - \$2,000
 - b. Letter of explanation to voters - \$500
 - c. Envelopes for mailing - \$500
 - d. Postage – (guessing \$0.45/piece) – \$15,000
 - e. Labor to process mailing - \$1,000
 4. New Voter Identification Cards to reflect addition of Party affiliation:
 - a. Form – cardstock for new cards - \$5,000
 - b. Postage - \$30,000
 - c. Labor - \$2,000
 - d. Office Supplies (Printer Ink etc.) - \$1,000
 5. Ongoing contact with new registrants who fail to respond to question about party affiliation when registering to vote in our county. \$3,000
- TOTAL 2013: \$107,500.00

ASSUMPTION (continued)

TOTAL 2014: \$4,000

TOTAL 2015: \$5,000

Officials at the **St. Louis County** assume it is impossible to estimate the number of follow up letters that will be mailed due to party affiliation not marked on the registration card. We average 52,000 new registrations in even years. Stated below is an estimate to process 10% or 20% follow up letters to new registration that did not choose a party affiliation. We currently have 647,036 active voters. Also stated below is the cost if we were required to mail our active voters a letter requesting their party affiliation.

10% - 5,200 follow up letters \$2,534.00
(5,200 x .45 postage = \$2340. + 5,200. X .0315 envelope=163.80 + 5,200. X .00588 paper=
\$30.57)

20% - 10,400 follow up letters \$5,068.00
(10,400 x .45 postage = \$4,680. + 10,400 x .0315 envelope=\$327.60 + 10,400 x .00588
paper=\$61.15)

647,036 active voters not having a party affiliation \$315,351.00
(647,036 x .45 postage=\$291,166 + 647,036 x .0315 envelope=\$20,381 + 647,036 x .00588
paper =\$3,804.)

Officials at the **Franklin County** assume the following costs:

Initial mailing for 68,436 voters@ .45	\$30,796.20
Follow up mailings est. 20,000 @.45	9,000.00
4 Staff members for 6 months @ \$10.00	39,000.00
4 additional lap top computers@ \$900.00	3,600.00
Supplies, postcards, letterhead, envelopes, pens	<u>5,000.00</u>
Base Cost	\$78,486.20

Unknown costs:

4 temporary phone lines

Staff for sorting daily mail and filing processed cards

Don't know if 4 staff members will be enough

Training time for all agencies who do voter registration

Costs for Public Notices in the Newspapers

Unsure if the above cost of \$39,796.20 is sufficient for postage

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ASSUMPTION (continued)

Officials at the **Lawrence County** assume a cost of \$300 a year in postage and clerical labor.

Officials at the following board of election commissions: Kansas City Board of Election Commission, St. Louis City Board of Election Commission, Clay County Board of Election Commission and Jackson County Board of Election Commission did not respond to **Oversight's** request for fiscal impact.

Officials at the following counties: Andrew, Barry, Bates, Boone, Buchanan, Butler, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cole, Cooper, DeKalb, Greene, Hickory, Holt, Jackson, Jasper, Jefferson, Johnson, Knox, Laclede, Lafayette, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Pemiscot, Perry, Phelps, Platte, Pulaski, Scott, St. Charles, St. Louis, St. Francois, Taney, Texas, Warren, Wayne and Webster did not respond to **Oversight's** request for fiscal impact.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

Oversight assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
GENERAL REVENUE			
<u>Transfer Out</u> - Secretary of State mailing to all voters about party affiliation	(\$1,694,008)	\$0	\$0
<u>Cost</u> - Secretary of State computer upgrades	(\$700,000)	\$0	\$0
<u>Cost</u> - Secretary of State printing of voter registration applications	<u>\$0</u>	<u>(\$26,615)</u>	<u>(\$26,615)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE	<u>(\$2,394,008)</u>	<u>(\$26,615)</u>	<u>(\$26,615)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
LOCAL ELECTION AUTHORITY FUNDS			
<u>Transfer In</u> - from general revenue reimbursement of the mailing about party affiliation	\$1,694,008	\$0	\$0
<u>Cost</u> - Local Election Authority mailing about party affiliation	(\$1,694,008)	\$0	\$0
<u>Cost</u> - Local Election Authority printing & handling of the notices	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
ESTIMATED NET EFFECT ON LOCAL ELECTION AUTHORITY FUNDS	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>

FISCAL IMPACT - Small Business

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

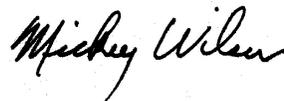
FISCAL DESCRIPTION

This bill establishes a closed primary system by requiring a voter to be registered as a member of a political party in order to vote that party's ballot in all primary elections held after January 1, 2013. A voter may change his or her party affiliation before the deadline for registration for the election by providing written notice as specified under Section 115.166, RSMo. Anyone attempting to vote or voting a primary election ballot of a political party other than that for which the person's designated party qualifies him or her to vote in a primary election will be guilty of a class four election offense.

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

Department of Corrections
Franklin County
Lawrence County
Office of Attorney General
Office of State Courts Administrator
Office of Prosecution Services
Office of the Secretary of State
Office of the State Public Defender
Platte County Board of Election Commission
St. Louis County Board of Election Commission



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Director
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