

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

LR No.: 4992-01
Bill No.: HB 1744
Subject: Elections: Voting Procedures, Equipment
Type: Original
Date: April 27, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	(Unknown)	(Unknown greater than \$7,753,671)	(Unknown greater than \$7,204,721)

FISCAL ANALYSIS

Officials of the **Office of Secretary of State - Elections Division** assume this bill would require counties to provide copy machines at each polling place. This cost would have to be paid by the state, based on the no unfunded mandates requirement in the constitution.

Based on the current state contract for a one-year lease of a copy machine, the cost per polling place would be \$1,445.28 per year. To this must be added a one-time charge of \$70 for installation, set up and initial training. This cost, multiplied by the 4,985 polling places in Missouri gives a first year cost of \$7,753,670.80, plus a \$.0120 per copy cost of operation. The ongoing annual cost would be \$7,204,720.80, plus a \$.0120 per copy cost of operation. The actual cost of operation would vary according to the voter turnout.

The requirement to hand-count all ballots will increase the number of bi-partisan teams necessary to conduct the tally. Therefore, an undetermined cost would be incurred by the state to reimburse counties for this additional mandate.

Oversight would note: This fiscal note shows local cost, and the Secretary of State assumes due to Constitutional requirements, the state would have to reimburse certain costs to local voting jurisdictions, (Counties, Cities).

ASSUMPTION (continued)

Officials of the **Office of Secretary of State - Administrative Rules Division** stated this bill eliminates the use of any automated voting equipment and requires paper ballots only for all elections. This bill may result in the Elections Division promulgating rules to implement this legislation. These rules will be published in the Missouri Register and the Code of State Regulations. Based on experience with other divisions, the rules, regulations and forms issued by the Elections Division could require as many as 6 pages in the Code of State Regulations. For any given rule, roughly half again as many pages are published in the Missouri Register as in the Code because cost statements, fiscal notes and the like are not repeated in the Code. These costs are estimated. The estimated cost of a page in the Missouri Register is \$23. The estimated cost of a page in the Code of State Regulations is \$27. The actual cost could be more or less than the numbers given. The impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded, or withdrawn.

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. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials of the **Kansas City Board of Election Commission** stated that to change voting systems within an election cycle would entail costs that cannot be foreseen.

Currently a full scale election is costing 300K or more in our jurisdiction.

To use paper ballots entirely involves Extensive Printing, Redesign, and production of all forms and certificates, Retraining of Election Personnel, and Public Education, which could add between 150 and 200k to the cost of the projected election.

Officials of the **Laclede County Clerk's Office** stated there would be costs of having to copy the ballot for each voter.

Officials of the **Webster County Clerk's Office** stated there would be significant cost related to having to hire additional labor to hand count and tally ballots and providing each voter with a copy of their ballot. Officials did not estimate cost but stated the cost would vary according to the voting population of each jurisdiction.

ASSUMPTION (continued)

Officials of the **Platte County Board of Election Commission** stated they would have significant costs related to going to paper ballots. Officials estimate they would need additional employees to run copy machines, leasing copy machines, pick-up teams (bi-partisan), rental fees for additional space, and security. Officials estimate costs of \$326,917 in FY 05; 06, and 07.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
ESTIMATED NET EFFECT TO GENERAL REVENUE FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
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**COUNTIES - VOTING
JURISDICTIONS**

<u>Cost</u> to Voting Jurisdictions			
additional FTE, equipment, space lease	<u>(Unknown)</u>	<u>(Unknown greater than \$7,753,671)</u>	<u>(Unknown greater than \$7,204,721)</u>

FISCAL IMPACT - Small Business

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

DESCRIPTION

This bill requires, after August 28, 2004, that all elections only use paper ballots, all votes be counted manually, and voters be given a copy of their ballot.

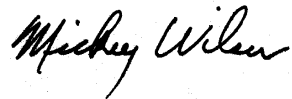
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Secretary of State
Platte County Board of Election Commission
Webster County Clerk
Laclede County Clerk
Kansas City Board of Election Commission

NOT RESPONDING

Timing would not allow all local governments time to respond.

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
April 27, 2004