

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

LR No.: 1965-01  
Bill No.: HB 762  
Subject: Secretary of State: Elections  
Type: Original  
Date: April 11, 2005

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>       |                  |                      |                    |
|---|------------------|----------------------|--------------------|
| FUND AFFECTED   | FY 2006          | FY 2007              | FY 2008            |
| General Revenue   | (Unknown)        | (\$1,553,201)        | (\$353,172)        |
|   |                  |                      |                    |
| <b>Total Estimated Net Effect on General Revenue Fund</b> | <b>(Unknown)</b> | <b>(\$1,553,201)</b> | <b>(\$353,172)</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>              |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2006    | FY 2007    | FY 2008    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated Net Effect on <u>Other</u> State Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>  | <b>FY 2006</b> | <b>FY 2007</b> | <b>FY 2008</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on <u>All</u> Federal Funds</b> | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |                |                |                |
|--|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                       | <b>FY 2006</b> | <b>FY 2007</b> | <b>FY 2008</b> |
| <b>Local Government</b>                    | <b>\$0</b>     | <b>\$0</b>     | <b>\$0</b>     |

**FISCAL ANALYSIS**

ASSUMPTION

Officials of the **Office of Secretary of State** stated that this proposal would increase return postage costs paid on absentee ballots as the number of such ballots increase. It would require the office to request funding for increased processing costs for local election authorities under the Hancock amendment which prevents the state from imposing a new duty without paying for it. The bill will require the office to request funding for operating satellite locations, including payment for election judges and the equipment necessary.

Cost estimates were established for the current process with assumptions of \$25,000 for an average salary for local election authorities, 7.5% absentee voting currently (based on 2004 General Election data), half an hour to process mail-in ballots, and 15 minutes to process walk-in ballots. This leads to a cost of \$6.01 per mail-in absentee ballot and \$3.01 walk-in absentee ballot.

Because the bill does not eliminate the notary requirement for absentee voting there should not be an increase in processing time other than that due to the increased volume of such voting. The

ASSUMPTION (continued)

assumption is that the percentage of voters using absentee ballots would increase from 7.5% to 20% based on assumptions provided from county clerks. In addition, it is assumed that the percentage of absentee ballots that are mail-in would increase from 25% of the total to 40% of the total based on assumptions provided from county clerks. It is assumed that the processing time for walk-in ballots would be reduced in half from 15 minutes to 7.5 minutes because much of the work of election officials would be eliminated for walk-in voting. The result of these assumptions is that the cost of processing mail-in absentee ballots is expected to remain at \$6.01 per ballot and the cost of processing walk-in absentee ballots will be reduced from \$3.01 per ballot to \$1.50 per ballot. However, the total cost of processing walk-in ballots will increase because the volume will increase.

The state would be responsible for paying the cost of increased advance voting ballots from 7.5% to 20% at all elections. However, the state does not keep data on the number of votes cast at local elections, therefore, making it difficult to calculate a cost estimate for the increase in absentee ballots without assistance from the local election officials.

The bill provides for 33 satellite sites for Advance voting for 13 election authorities. The fiscal note assumes that they will be staffed by four election judges paid \$9 per hour for the 89 hours that they will be open for Advance voting - a total of \$105,732 per election. In addition, it is assumed that there would be a one-time equipment cost of \$2,500 to establish the satellite sites - a total of \$82,500 (33 sites times \$2,500 per site).

The increased costs would occur to the state as follows:

FY 2006 - local elections

FY 2007 - August 2006 primary election, November 2006 general election, and local elections

FY 2008 - Presidential primary and local elections

FY 2009 - August 2008 primary election, November 2008 general election, and local elections

Officials estimate reimbursement to local election authorities for increases in election costs as (Unknown) in FY 2006; (\$1,553,201) in FY 2007; and (\$353,172) in FY 2008.

Because of this schedule the highest cost to the state occurs in FY 2009 outside of the window covered by the fiscal note. The cost of reimbursing local election officials in that year, barring any increase in turnout, would be about \$2.1 million to general revenue fund.

ASSUMPTION (continued)

It will increase return postage costs paid on absentee ballots as the number of such ballots increase. The average cost per mail in absentee ballot is \$1.25.

Officials of the **Office of Attorney General** assume no fiscal impact to their office.

Officials of the **Office of State Courts Administrator** assume there would be no fiscal impact to the Courts.

Officials of the **Kansas City Board of Election Commission** stated there would be costs associated with advanced voting. Officials did not submit an estimate of that costs, however in another advance voting bill from this session officials stated they would need additional staff, some full-time, some part-time. Officials assume they would have programming costs, all would total approximately \$250,000 annually. Some elections costs would be less.

Officials of the **Jasper County Clerk's Office** stated they would have additional costs from needing additional staff, and possibly some satellite offices would be required. Officials did not submit an estimate of costs.

Officials of the **Laclede County Clerk's Office** submitted the following estimate of fiscal impact:

|                            |                |
|----------------------------|----------------|
| equipment one time cost    | \$15,000       |
| annual equipment cost      | \$2,500        |
| new staff                  | \$24,000       |
| overtime for current staff | \$8,000        |
| Election Judges            | \$8,000        |
| Rent                       | \$4,000        |
| Communication cost         | \$3,000        |
| Postage                    | \$6,000        |
| <u>Supplies</u>            | <u>\$4,000</u> |
| Total Costs                | \$74,500       |

Officials of the **Cole County Clerk's Office** stated there would be significant costs to the state and the counties. Officials did not submit an estimate of costs to their office.

**Oversight** will show statewide costs to local governments as a state reimbursement due to statements submitted by the Secretary of State.

|   |                    |         |         |
|---|--------------------|---------|---------|
| <u>FISCAL IMPACT - State Government</u> | FY 2006<br>(6 Mo.) | FY 2007 | FY 2008 |
|---|--------------------|---------|---------|

**GENERAL REVENUE FUND**

|  |                  |                      |                    |
|--|------------------|----------------------|--------------------|
| <u>Cost</u> to Secretary of State<br>From reimbursing local election costs | <u>(Unknown)</u> | <u>(\$1,553,201)</u> | <u>(\$353,172)</u> |
|--|------------------|----------------------|--------------------|

|   |                         |                             |                           |
|---|-------------------------|-----------------------------|---------------------------|
| <b>ESTIMATED NET EFFECT TO<br/>GENERAL REVENUE FUND</b> | <b><u>(Unknown)</u></b> | <b><u>(\$1,553,201)</u></b> | <b><u>(\$353,172)</u></b> |
|---|-------------------------|-----------------------------|---------------------------|

|   |                    |         |         |
|---|--------------------|---------|---------|
| <u>FISCAL IMPACT - Local Government</u> | FY 2006<br>(6 Mo.) | FY 2007 | FY 2008 |
|---|--------------------|---------|---------|

**CITY/COUNTIES ELECTION  
AUTHORITIES**

|   |         |             |           |
|---|---------|-------------|-----------|
| <u>Income</u> to Local Election Authorities<br>From state reimbursement | Unknown | \$1,553,201 | \$353,172 |
|---|---------|-------------|-----------|

|   |                  |                      |                    |
|---|------------------|----------------------|--------------------|
| <u>Cost</u> to Local Election Authorities<br>From added election duties | <u>(Unknown)</u> | <u>(\$1,553,201)</u> | <u>(\$353,172)</u> |
|---|------------------|----------------------|--------------------|

|   |                   |                   |                   |
|---|-------------------|-------------------|-------------------|
| <b>ESTIMATED NET EFFECT TO<br/>LOCAL GOVERNMENT</b> | <b><u>\$0</u></b> | <b><u>\$0</u></b> | <b><u>\$0</u></b> |
|---|-------------------|-------------------|-------------------|

FISCAL IMPACT - Small Business

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

DESCRIPTION

This bill replaces the current absentee ballot process with an advance voting system. The advance voting period will begin on the sixth Tuesday prior to an election and will close at 5 p.m. on the Monday prior to the election. In addition to central voting sites, up to seven satellite sites are required to be established in each jurisdiction; one for each 60,000 registered voters. Provisions are also established for advanced mail voting. The bill will become effective January

1, 2006.

DESCRIPTION (continued)

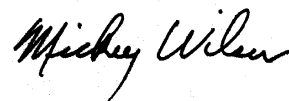
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Office of Secretary of State - Elections Division  
Office of Attorney General  
Office of State Courts Administrator  
Kansas City Board of Election Commission  
Laclede County Clerk  
Cole County Clerk  
Jasper County Clerk

NOT RESPONDING

Callaway County Clerk  
Boone County Clerk  
Greene County Clerk  
Jefferson County Clerk  
Webster County Clerk  
Bates County Clerk  
Ozark County Clerk  
Platte County Board of Election Commission  
Jackson County Board of Election Commission



Mickey Wilson, CPA  
Director  
April 11, 2005