

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5043-01
Bill No.: HB 2153
Subject: Elections, Secretary of State
Type: Original
Date: March 9, 2010

Bill Summary: Changes the laws regarding elections and establishes the Election Consolidation Act of 2010.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
State Election Subsidy Fund	\$0	(\$2,150,000)	(\$2,150,000)
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	(\$2,150,000)	(\$2,150,000)

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
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 2011	FY 2012	FY 2013
Local Government	\$0	Greater than \$2,058,822	Greater than \$2,058,822

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the Secretary of State (SOS)** assume this bill requires the state to share the cost of state and federal elections with the local election authorities. Based on the cost of previous special elections paid for by the state, it could cost up to \$2,150,000 million per election.

The bill becomes effective on January 1, 2011.

FY 2012 = 2012 primary/presidential primary (June)-\$2,150,000

FY 2013 = 2012 general-\$2,150,000

Officials at the **Missouri Ethics Commission** assume that there is no fiscal impact from this proposal.

Officials at the **Platte County Board of Election Commission** assume no impact as the costs are already passed to the municipality holding the election.

Officials at the **St. Louis County Board of Election Commission** assume that under current law, in a four year election cycle, they conduct 9 major/county-wide elections (4 April Municipal General - each year, 2 August Primary - even years, 2 November General -even years and 1 February Presidential Primary) and up to 11 additional smaller elections.

As proposed they would conduct, in a four year election cycle, only 6 major/county-wide elections (2 April Municipal General -odd years, 2 June Primary- even years, 2 November General -even years and possibly 2 smaller February Municipal Primary -odd years with 1-3 polls. This would be a reduction of three major/county-wide elections each of which costs \$800,000 to \$1,000,000 and the elimination of at least 9 other elections which could be a county-wide election as it was in November 2009.

If the requirements of this proposal had been in effect for the election cycle 2006-2009, with current electronic equipment utilized, they would have had \$3,835,000 less in election costs.

Oversight assumes this proposal becomes effective January 1, 2011.

Officials at the following counties: **Atchison, Audrain, Benton, Boone, Cape Girardeau, Carroll, Cole, Cooper, Daviess, Lewis, Linn, Moniteau, Monroe, Newton, Scott, Texas** and **Wayne County Clerks Offices** responded using identical tables with actual election costs for

ASSUMPTION (continued)

each election conducted 2006 through 2009. There is an assumption that the primary and general elections would be shared 50/50 by state and county so it represents the maximum costs and minimum savings for county/state.

The identical tables included the following information:

Column A- Election Date - excluded April elections in odd numbered years as there would be no cost increase or decrease in those elections

Column B- "Cost Savings to Taxpayers" this reflects cost savings from not holding elections. The costs would be saved by the jurisdictions that would not have had elections on those dates(i.e. counties, schools, cities, fire etc).

Column C - Cost savings to Counties - this would reflect minimum savings to counties under the proportional costs distribution. The actual savings will probably be greater as more jurisdictions will be holding elections on the same dates therefore spreading the cost amongst a greater number of jurisdictions.

Column D - Reflects the cost savings/increase to the state through the proportional costs changes. This reflects a maximum increase as in most cases. The state/county costs would be reduced in most cases when other public entities share the cost of the primary/general. For example, if the City of Columbia had a ballot issue on a general election ballot (as they did in 2006 and 2008) that would decrease the state/county share by 40%. These cost savings were not included as they are speculative

Column E - total primary/general election costs for computing column C & D

Oversight has printed Boone County's table which details out the savings and costs for the four election years as an example of the information provided.

Column A	Column B	Column C	Column D	Column E
Feb 2006	0	0	0	0
April 2006	136,828	0	0	0
June 2006	0	0	0	0
Aug. 2006	0	161,636	161,636	323,271
Nov. 2006	0	155,043	155,043	310,086
Feb. 2007	0	0	0	0
June 2007	0	0	0	0

Aug. 2007	0	0	0	0
Nov. 2007	188,277	0	0	0
Feb. 2008	301,042	0	301,042	301,042
April 2008	234,609	0	0	0
June 2008	0	215,809	215,809	431,618
Aug. 2008	0	0	0	0
Nov. 2008	0	204,148	204,148	408,296
Feb. 2009	0	0	0	0
June 2009	0	0	0	0
Aug. 2009	3,500	0	0	0
Nov. 2009	10,300	0	0	0
TOTAL	874,556	736,636	432,594	0

Totals over a 4 year cycle based on historical costs - minimum savings to taxpayers (through cities, schools, counties consolidating elections) 874,556
 minimum savings to County General Revenue 736,636
 maximum increased cost to state 435,594

In addition to cost savings outlined above the county will have additional reduced costs by moving the primary to June. This is because they currently have to pay considerable overtime and hire temps to handle the petition verification process concurrent with the primary election. Moving the primary to June would make those expenditures unnecessary because we would have staffing levels sufficient to process the petitions after the primary without hiring temps or paying overtime.

Cost savings from 2008 petition ot/temp hires

Overtime 15,000
 Temp help 12,000
 Total 27,000

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ASSUMPTION (continued)

Oversight has created a table using the total line from the submitted tables to show the above listed Counties responses:

Name of County	Savings to Taxpayer	Savings to County	Cost Increase to State
Atchison	\$34,758	\$20,958	\$8,778
Audrain	\$81,096	\$71,332	\$49,235
Benton	\$73,043	\$44,336	\$26,287
Boone	\$874,556	\$736,636	\$435,594
Cape Girardeau	\$179,444	\$132,704	\$77,999
Carroll	\$65,008	\$81,440	\$55,861
Cole	\$285,411	\$177,309	\$123,019
Cooper	\$103,608	\$84,530	\$46,288
Daviess	\$34,682	\$26,013	\$13,669
Grundy	\$24,115	\$23,453	\$12,276
Lewis	\$40,680	\$60,481	\$45,944
Linn	\$69,439	\$44,603	\$21,402
Moniteau	\$58,896	\$95,075	\$77,666
Monroe	\$22,630	\$30,059	\$14,429
Newton	\$155,653	\$96,500	\$52,473
Scott	\$104,589	\$78,522	\$43,958
Texas	\$63,146	\$183,070	\$183,070
Wayne	\$88,122	\$71,801	\$40,625
TOTAL	\$2,358,876	\$2,058,822	\$1,328,573

No other Board of Election Commission or Local Election Authority responded to **Oversight's**

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ASSUMPTION (continued)

request for fiscal impact.

Oversight assumes that any costs transferred to the State will be paid to the local election authority as reimbursement of the election and therefore will have no impact on the local election authority.

Oversight assumes this proposal will reduce the number of elections held and therefore result in a savings to the local election authorities.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
STATE ELECTION SUBSIDY FUND			
<u>Transfer Out</u> - Secretary of State			
Increased election costs	<u>\$0</u>	<u>(\$2,150,000)</u>	<u>(\$2,150,000)</u>
ESTIMATED NET EFFECT ON STATE ELECTION SUBSIDY FUND	<u>\$0</u>	<u>(\$2,150,000)</u>	<u>(\$2,150,000)</u>
 <u>FISCAL IMPACT - Local Government</u>	 FY 2011 (10 Mo.)	 FY 2012	 FY 2013
LOCAL ELECTION AUTHORITY FUNDS			
<u>Transfer In</u> - Local Election Authority			
state share of election costs	\$0	\$2,150,000	\$2,150,000
<u>Cost</u> - election costs	\$0	(\$2,150,000)	(\$2,150,000)
<u>Savings</u> - Local Election Authority			
fewer elections held	<u>\$0</u>	<u>Greater than \$2,058,822</u>	<u>Greater than \$2,058,822</u>
ESTIMATED NET EFFECT ON LOCAL ELECTION AUTHORITY FUNDS	<u>\$0</u>	<u>Greater than \$2,058,822</u>	<u>Greater than \$2,058,822</u>

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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This bill changes the laws regarding elections and establishes the Election Consolidation Act of 2010. In its main provisions, the bill:

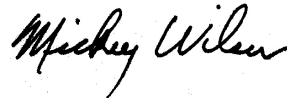
- (1) Requires election costs to be paid by the political subdivision, municipality, county, or special district incurring the cost in elections where no other entity has an issue on the ballot;
- (2) Requires entities to share election costs proportionally using the State Election Subsidy Fund in elections where more than one entity has an issue on the ballot. The fund's proceeds will not revert to the General Revenue Fund;
- (3) Changes, beginning January 1, 2011, the primary election day from the first Monday in August of even-numbered years to the first Tuesday after the first Monday in June of even-numbered years;
- (4) Changes, beginning April 2010, the general municipal and special district election day from the first Tuesday after the first Monday in April to the first Tuesday after the first Monday in April of odd-numbered years. Primary elections must be held on the first Tuesday after the first Monday in February of the year of the general municipal election. A primary election may be held in March if allowed by a city or county with a charter form of government prior to August 28, 1999. A statewide presidential preference primary must be held on the first Tuesday after the first Monday in June instead of February of each presidential election year;
- (5) Removes other primary election days for the purpose of approving bond issues; and
- (6) Establishes the Election Consolidation Act of 2010 which establishes new terms of office for public officials elected at the general municipal election held in April 2011. The terms for those currently holding public office are specified in the bill. Municipalities, special districts, and political subdivisions are allowed to abolish primary elections held prior to a general municipal election by order or ordinance adopted no later than September 1 of any even-numbered year. These provisions will not prohibit any home rule city or county with a charter form of government from conducting a primary election in March if it was provided for in the city's or county's charter before August 28, 2010. These provisions will not apply to any special election called by the Governor and held in conjunction with a general municipal election.

FISCAL 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 the Secretary of State
Missouri Ethics Commission
Platte County Board of Election Commission
St. Louis County Board of Election Commission
Atchison County
Audrain County
Benton County
Boone County
Cape Girardeau County
Carroll County
Cole County
Cooper County
Daviess County
Grundy County
Lewis County
Linn County
Moniteau County
Monroe County
Newton County
Scott County
Texas County
Wayne County



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Director
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