COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.:	1007-04
Bill No.:	SCS for HCS for HB 353
Subject:	Elections; Boards, Commissions, Committees and Councils; County Government;
	County Officials; Political Subdivisions; Roads and Highways; Taxation and
	Revenue - Property; Transportation; Education, Elementary and Secondary;
	Kansas City
Type:	Original
Date:	April 13, 2017

Bill Summary: This proposal modifies provisions relating to elections.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS					
FUND AFFECTED	FY 2018	FY 2019	FY 2020		
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.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	
Total Estimated Net Effect on All				
Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	
Total Estimated Net Effect on FTE	0	0	0	

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS						
FUND AFFECTED FY 2018 FY 2019 FY 2020						
Local Government	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown			

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FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State**, the **Missouri Department of Transportation**, the **Department of Elementary and Secondary Education**, the **St. Louis County Directors of Elections** and the **Platte County Board of Elections** each assume the proposal will have no fiscal impact on their organization.

Oversight notes section 115.124 would allow cities, towns, or villages with less than 2,000 inhabitants to skip local elections if the number of open seats equals the number of candidates running for those seats. We are unable to determine the number of cities, towns, or villages that would not participate in those elections; therefore, Oversight will show the fiscal impact to the Local Election Authorities (LEA) as a savings of \$0 or an Unknown amount.

Officials from the **City of Kansas City** assume this proposal could have a negative fiscal impact on the City of Kansas City because section 115.125.2 in the legislation provides that if a city seeks a court order to place something on the ballot with late notice (which Kansas City does from time to time), the city now must pay for the additional administrative costs, as well as the costs for printing or reprinting ballots. It also states that if a city does not pay the administrative costs, such city will have to pay punitive damages of three times the additional costs, plus all attorneys' fees and court costs.

In response to a previous version, officials at **Callaway County** assumed the proposal would have no fiscal impact on their organization.

Oversight also notes section 115.125 would allow local election authorities to charge other local political subdivisions for administrative costs associated with late changes to ballots. Oversight assumes this additional revenue to one local political subdivision will offset the additional costs to the other local political subdivision.

FISCAL IMPACT - State Government	FY 2018 (10 Mo.)	FY 2019	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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FISCAL IMPACT - Local Government	FY 2018 (10 Mo.)	FY 2019	FY 2020
<u>Savings</u> - skip certain elections based on the number of open seats and number of candidates running §115.124	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Revenue</u> - payment received for additional administrative costs for late ballot changes §115.125	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
<u>Costs</u> - administrative costs to change ballots can be charged now §115.125	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>

ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS <u>\$0 or Unknown</u> <u>\$0 or Unknown</u> <u>\$0 or 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 proposal expands the existing exception for small cities, towns, and villages under Section 115.124, RSMo, which allows candidates for election to assume office without holding an election if a particular election is uncontested and the number of candidates available equal the number of open positions, from cities, towns, or villages with 1,000 or less persons to those with 2,000 or less persons.

The proposal also requires municipalities that schedule late elections via court order to pay for any administrative costs of the election authority. The election authority will provide good faith notice of such costs. If a municipality agrees to schedule an election and defaults on payment, then election authorities may recover triple damages, restitution, and attorney fees.

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

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SOURCES OF INFORMATION

Office of the Secretary of State Missouri Department of Transportation Department of Elementary and Secondary Education City of Kansas City, Missouri St. Louis County Directors of Elections Platte County Board of Elections Callaway County

Mickey Wilen

Mickey Wilson, CPA Director April 13, 2017

Ross Strope Assistant Director April 13, 2017