

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4439-01
Bill No.: HB 1284
Subject: Elections
Type: Original
Date: January 12, 2018

Bill Summary: This proposal changes the law regarding election costs.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue	(\$3,900,000)	\$0	(\$7,800,000)
Total Estimated Net Effect on General Revenue	(\$3,900,000)	\$0	(\$7,800,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Local Government	\$3,900,000	\$0	\$7,800,000

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** assume the proposal would compel the state to pay proportional election costs incurred by local election authorities whenever a state-level issue appears on a ballot. In particular, this proposal would require the state to pay election costs for each primary and general election held in the state, subject to appropriation by the General Assembly. In the past, the cost of holding a statewide election has been estimated at \$7.8 million, based on the 2016 Presidential Preference Primary, during which the state's proportional cost is roughly 100% of the total election. It can be assumed that the state's proportional share for both primary and general elections held in the state would be less, for the purposes of this fiscal note a 50% share is assumed with other political subdivisions with issues on the ballot. Using this methodology as a guideline, this bill would create estimated costs of \$3.9 million in FY 2019 and of \$7.8 million in FY 2021, as the effective date of the bill (August 28, 2018) would be after the August primary election (August 7, 2018).

Officials from **Buchanan County** assume the proposal would help immensely with county budgets, especially the smaller jurisdictions who can't afford to pay for the state-wide elections. The fiscal impact on this county would be a positive one, as they would save money in their budget each year.

Officials from **Callaway County** assume the proposal could potentially have a positive impact on the county's general revenue of approximately twenty thousand-thirty thousand dollars.

Officials from the **Kansas City Election Board** assume if the proposal were to become law, the State's pro-rata expense in even-numbered years would be in the range of \$300,000 to \$500,000.

Officials from the **Platte County Board of Elections** assume the proposal would have no direct fiscal impact, however, proportional cost sharing with the State could save the County of Platte up to about \$45,000 per election for county-wide special elections, primaries and general elections.

Officials from the **Lincoln County Clerk's Office** assume the proposal is estimated to save as much as \$110,000 in each even-numbered year due to the state paying as much as 50% of the cost of the August Primary and the November General Election costs.

Officials from the **Jackson County Election Board** assume the proposal will have no fiscal impact to them but would be a significant cost savings to every county in the State of Missouri.

ASSUMPTION (continued)

Officials from the **St. Louis County Election Board** assume the proposal would realize a \$1.5 million cost savings with the enactment of this legislation.

Oversight assumes there will be a positive fiscal impact to local election authorities if election costs are paid by the state in even-numbered years; therefore, Oversight will reflect a savings to local election authorities equal to the potential costs estimated by SOS.

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

Officials from the following **county clerks**: Andrew, Atchison, Audrain, Boone, Camden, Cape Girardeau, Carroll, Cass, Christian, Clay, Clinton, Cole, Cooper, Davies, Dekalb, Dent, Franklin, Greene, Holt, Jefferson, Johnson, Knox, Laclede, Lawrence, Maries, Marion, Miller, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Pulaski, Scott, St. Charles, St. Francois, Taney, Warren, Wayne, and Worth did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Cost - SOS</u> election cost for primary and general elections	<u>(\$3,900,000)</u>	<u>\$0</u>	<u>(\$7,800,000)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$3,900,000)</u>	<u>\$0</u>	<u>(\$7,800,000)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
LOCAL ELECTION AUTHORITIES			
<u>Savings - state paying for primary and general election costs</u>	<u>\$3,900,000</u>	<u>\$0</u>	<u>\$7,800,000</u>
ESTIMATED NET EFFECT ON LOCAL ELECTION AUTHORITIES	<u>\$3,900,000</u>	<u>\$0</u>	<u>\$7,800,000</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 requires the state and political subdivisions to share the costs of elections held among such entities in a proportional manner and applies in the case of general elections and primary elections.

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
Buchanan County
Callaway County
Kansas City Election Board
Platte County Board of Elections
Lincoln County Clerk's Office
Jackson County Election Board
St. Louis County Election Board

Ross Strobe



Acting Director
January 12, 2018