

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1125-01
Bill No.: HB 543
Subject: Elections
Type: Original
Date: April 9, 2019

Bill Summary: This proposal modifies provisions relating to elections.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | |
|--|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| Total Estimated Net Effect on General Revenue | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | |
|---|------------|------------|------------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| 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 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| Total Estimated Net Effect on <u>All</u> Federal Funds | \$0 | \$0 | \$0 |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | |
|--|----------|----------|----------|
| FUND AFFECTED | FY 2020 | FY 2021 | FY 2022 |
| | | | |
| | | | |
| 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 2020 | FY 2021 | FY 2022 |
| Local Government | (Unknown Greater than \$100,000) | (Unknown Greater than \$100,000) | (Unknown Greater than \$100,000) |

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** assume many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

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 require additional resources.

Officials from the **St. Louis County Board of Elections** estimate the need to hire about 20 teams to go around the apartments for absentee voting, and based on our other absentee teams, this would cost about \$3,000 to \$5,000 per election.

Officials from the **Platte County Board of Elections** assume a cost of \$260 for new signs to be posted in voting booths.

Officials from the **Kansas City Election Board** assume the proposal will have an estimated fiscal impact of \$7,500 per election for temporary workers, due to increasing the manual recount from 1 percent to 5 percent.

Oversight notes there could be a potential increase in costs to election authorities in St. Louis County and in cities with over 300,000 people and which are located in more than one county to conduct team inspections of addresses where 10 or more absentee ballot requests originate if this proposal were to be enacted. We are unable to determine how many additional individuals will cast an absentee ballot that may live in an apartment building.

Oversight notes that when one voting machine is retired, it is either replaced with one of the same kind, or the entire inventory of voting machines is replaced with the same kind. Those political subdivisions with unapproved voting machines would likely face pressure to

ASSUMPTION (continued)

replace all unapproved voting machines at once, or keep poorly operating machines in service.

Oversight assumes there will be increased costs to local election authorities to meet the requirements of the proposal. Local election authorities will need more temporary workers to carry out the manual recount that has increased from 1 percent to 5 percent of all election precincts as a result of the proposal. Authorities will also incur additional costs to post non-removable signs in voting booths. Therefore, Oversight will reflect an unknown cost greater than \$100,000 on the fiscal note.

| <u>FISCAL IMPACT - State Government</u> | FY 2020 (10 Mo.) | FY 2021 | FY 2022 |
|---|---------------------|-------------------|-------------------|
| | <u><u>\$0</u></u> | <u><u>\$0</u></u> | <u><u>\$0</u></u> |

| <u>FISCAL IMPACT - Local Government</u> | FY 2020 (10 Mo.) | FY 2021 | FY 2022 |
|---|---------------------|---------|---------|
|---|---------------------|---------|---------|

LOCAL ELECTION AUTHORITIES

| | | | |
|--|---|---|---|
| Cost - delivery of absentee ballots to apartment buildings, signs, and temporary workers and potential increase in manual recounts | <u>(Unknown Greater than \$100,000)</u> | <u>(Unknown Greater than \$100,000)</u> | <u>(Unknown Greater than \$100,000)</u> |
|--|---|---|---|

| | | | |
|---|--|--|--|
| ESTIMATED NET EFFECT ON LOCAL ELECTION AUTHORITIES | <u><u>(Unknown Greater than \$100,000)</u></u> | <u><u>(Unknown Greater than \$100,000)</u></u> | <u><u>(Unknown Greater than \$100,000)</u></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 changes laws relating to ballot processing and voting procedures. It requires that electronic voting systems produce paper ballots that can be verified by voters and those conducting recounts. The use of direct recording electronic voting machines will be phased out over time. Ballot marking devices for paper ballots will have a specified sign advising voters to check their ballot prior to placing it in a box or scanner. Absentee ballots may be delivered by a bipartisan team when 10 or more ballots are requested at a particular apartment building. Prior to the certification of election results, local election authorities will audit 5% of polling places by conducting a manual recount of the requisite number of precincts.

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
St. Louis County Board of Elections
Platte County Board of Elections
Kansas City Election Board



Kyle Rieman
Director
April 9, 2019

Ross Strobe
Assistant Director
April 9, 2019