

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1859H.02C
 Bill No.: HCS for HB 842
 Subject: Elections; Disabilities
 Type: Original
 Date: March 25, 2021

Bill Summary: This proposal requires that all ballots be in paper form.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
General Revenue			More than or Less than (\$1,650,000)
Total Estimated Net Effect on General Revenue	\$0	\$0	More than or Less than (\$1,650,000)

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Total Estimated Net Effect on FTE	0	0	0

- Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** assume this bill prohibits the use of electronic voting machines and requires that all voting be conducted using paper ballots and paper ballot marking devices. While most jurisdictions currently utilize paper ballots and marking devices, some jurisdictions use direct-record electronic (DRE) machines which would all need to be replaced no later than January 1, 2024, under the provisions of this bill. The state may be required to pay this cost under Article X, Section 21 of the Missouri Constitution.

The estimated cost for a replacement voting machine is \$5,000. Based on their ongoing survey of voting equipment, at least 330 DRE machines were in use throughout the state at the most recent election, with the possibility for that number to increase based on the responses still outstanding. The cost to replace these DREs could reach or exceed \$1,650,000 (330 x \$5,000) in FY 2024, depending on if more machines of this type are currently in use.

Oversight notes there are 116 local election authorities in the state. There were 2,748 polling places used statewide for the 2016 General Election per general election survey reports. The current November 2020 election survey results have not fully been processed. Oversight is unable to determine the exact amount of DRE machines that were used in the most recent election. According to the SOS, the cost replacement estimate of \$5,000 for a voting machine is an average replacement cost based on actual invoices submitted from local election authorities (reimbursed under their Election Efficiency Grant). Oversight does not have any information to the contrary. Therefore, Oversight will reflect the estimated impact from SOS in the fiscal note.

In response to a previous version, officials from the **Kansas City Election Board, Platte County Board of Elections, St. Louis County Board of Elections, and Boone County Clerk's Office** each assumed the proposal will have no fiscal impact on their organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses that we have received from state agencies and political subdivisions; however, other local election authorities were requested to respond to this proposed legislation but did not. A general listing of political subdivisions included in our database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
GENERAL REVENUE			
Cost – SOS Voting Equipment replacement	<u>\$0</u>	<u>\$0</u>	More than or Less than <u>(\$1,650,000)</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0</u>	<u>\$0</u>	More than or Less than <u>(\$1,650,000)</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2022 (10 Mo.)	FY 2023	FY 2024
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

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

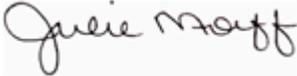
FISCAL DESCRIPTION

Beginning on January 1, 2022 this bill requires the use of paper ballots marked by hand. Electronic touch screen machines may be used to assist disabled voters until January 1, 2024, and ballot marking devices may be used to assist disabled voters at any time.

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
Kansas City Election Board
St. Louis Count Board of Elections
Platte County Board of Elections
Boone County Clerk's Office



Julie Morff
Director
March 25, 2021



Ross Strobe
Assistant Director
March 25, 2021