

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4468H.03C  
Bill No.: HCS for HB 2140  
Subject: Elections; County Officials  
Type: Original  
Date: March 9, 2022

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Bill Summary: This proposal modifies provisions relating to elections.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>  |                         |                         |                         |
|--|-------------------------|-------------------------|-------------------------|
| <b>FUND AFFECTED</b>                                 | <b>FY 2023</b>          | <b>FY 2024</b>          | <b>FY 2025</b>          |
| General Revenue*                                     | \$0 or (Unknown)        | \$0 or (Unknown)        | \$0 or (Unknown)        |
|  |                         |                         |                         |
| <b>Total Estimated Net Effect on General Revenue</b> | <b>\$0 or (Unknown)</b> | <b>\$0 or (Unknown)</b> | <b>\$0 or (Unknown)</b> |

\*§1 allows the Speaker of the House and the President Pro Tempore of the Senate to obtain legal counsel other than from the Attorney General. There is potential that costs for outside counsel could exceed \$250,000.

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>              |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|
| <b>FUND AFFECTED</b>  | <b>FY 2023</b>        | <b>FY 2024</b>        | <b>FY 2025</b>        |
| Other State Funds*  | \$0 to Unknown        | \$0 to Unknown        | \$0 to Unknown        |
|   |                       |                       |                       |
| <b>Total Estimated Net Effect on <u>Other</u> State Funds</b> | <b>\$0 to Unknown</b> | <b>\$0 to Unknown</b> | <b>\$0 to Unknown</b> |

\* §28.960.3 and §115.225.6 allow the Secretary of State to withhold funds from the Local Election Authorities (LEA). Oversight assumes this could be from various other state funds. These funds vary by size of election and LEA and are difficult to calculate a total. Withholding all these funds would be a potential loss to LEAs exceeding \$250,000 but be offset with savings to Other State Funds in the same amount.

Numbers within parentheses: () indicate costs or losses.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |                       |                       |                       |
|---|-----------------------|-----------------------|-----------------------|
| <b>FUND AFFECTED</b>  | <b>FY 2023</b>        | <b>FY 2024</b>        | <b>FY 2025</b>        |
| Various Federal Funds   | \$0 to Unknown        | \$0 to Unknown        | \$0 to Unknown        |
|   |                       |                       |                       |
| <b>Total Estimated Net Effect on <u>All</u> Federal Funds</b> | <b>\$0 to Unknown</b> | <b>\$0 to Unknown</b> | <b>\$0 to Unknown</b> |

| <b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b> |                |                |                |
|---|----------------|----------------|----------------|
| <b>FUND AFFECTED</b>                                      | <b>FY 2023</b> | <b>FY 2024</b> | <b>FY 2025</b> |
|   |                |                |                |
|   |                |                |                |
| <b>Total Estimated Net Effect on FTE</b>                  | <b>0</b>       | <b>0</b>       | <b>0</b>       |

☒ 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.

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |  |  |  |
|--|--|--|--|
| <b>FUND AFFECTED</b>                       | <b>FY 2023</b>                                     | <b>FY 2024</b>                                     | <b>FY 2025</b>                                     |
|  |  |  |  |
| <b>Local Government</b>                    | <b>Unknown to (Unknown Could exceed \$250,000)</b> | <b>Unknown to (Unknown Could exceed \$250,000)</b> | <b>Unknown to (Unknown Could exceed \$250,000)</b> |

\* Legislation prohibits the state of Missouri and political subdivisions from receiving or expending private moneys for preparing, administering, or conducting an election, including registering voters. This could have a potential negative impact on local elections authorities if they are unable to replace private money with an acceptable source according to this provision.

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **Office of the Secretary of State (SOS)** assume this bill would allow voters who have moved from one county to another after the registration deadline for any given election to update their registration in person at the office of their local election authority on Election Day and be eligible to vote, so long as their existing registration was not previously cancelled.

The change in the registration deadline will require programming changes to the Missouri Centralized Voter Registration database in order to ensure that newly-registered voters are eligible for each election. The SOS anticipates that these changes should be accomplished under existing contracts as part of a regular upgrade release cycle. However, it is possible that specialized programming outside of standard contracts may be required to accomplish the necessary changes. The cost of the technical resources that would be needed in such a situation is unknown.

**Oversight** assumes any additional costs arising from this proposal can be absorbed with existing personnel and resources. However, the SOS may seek additional appropriations if there is a significant increase for technical resources. Therefore, Oversight assumes the SOS will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the SOS for fiscal note purposes due to these provisions.

In addition, **SOS** notes this bill would require all direct-record electronic voting machines (DREs) be removed from service by January 1, 2024, with the exception of any machine used solely for disabled voters. Based on most recent survey conducted in 2020, there are 330 DREs in service statewide. All local election authorities (LEAs) which disclosed the use of DREs on the survey have already replaced or have indicated that they are actively planning to replace those machines prior to the date specified in the bill. Therefore, the SOS does not anticipate being required to cover the costs under Article X, Section 21, but will provide assistance to those LEAs using existing grant programs.

**Oversight** notes this response from the SOS is different from previous years. SOS' response to similar proposals in 2021 (i.e. HB 925) included a per-machine replacement cost of \$5,000 for the 330 DRE's in service statewide (for a total of \$1.65 million). Oversight will utilize SOS' assumption that this change is already in progress and that this bill will not create a material additional fiscal impact to the state.

The **SOS** also assumes 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 **Department of Revenue (DOR)** state:

§115.151.3

Requires the Department to transmit voter registration application forms to the appropriate election authority and modifies the requirement to transmit no later than three business days after the form is completed by the applicant.

§115.160.3

Requires the Department to utilize electronic voter registration application forms and to ensure the confidentiality and integrity of the data collected, maintained, received, or transmitted.

§115.160.5

Requires the Department to transmit voter registration information in a secure and electronic manner, including electronic image of the signature of the applicant, in a format compatible with the Missouri voter registration system established in §115.158. The proposed changes further define that each election authority receiving application forms must forward any application that pertains to a different election authority to that election authority in a secure and electronic manner.

The Department and the Office of the Secretary of State are currently working to complete a project to implement an electronic exchange of voter registration application information, including the signature, which is currently scheduled to be completed in early 2022. Such implementation would meet the provisions of this bill, assuming there is not an expectation for the Department to submit data to each individual county election authority. Therefore, any cost associated with this legislation has already been absorbed.

§115.427.2(1)

The proposed change removes the language requiring the individual to sign a statement certifying the individual has no other form of personal identification that meets the current requirements of §115.427.2(1) when applying for a Nondriver identification card for voting transactions.

### **Administrative Impact**

Currently the Department is required to have the individual who is applying for a Nondriver license for voting purposes, sign a statement at time of application, certifying under penalty of perjury that they have no other form of personal identification that would meet the current requirements of §115.427.2(1).

To implement the proposed change, the Department would be required to:

- Complete business requirements and design documents to modify the Missouri Electronic Driver License (MEDL) issuance system, MEDL central applications and supporting systems to remove nondriver for voting statement no longer required, update denial tracking application and to generate an electronic voter registration statement in lieu of a printed form;
- Complete programming and user acceptance testing of the Missouri Electronic Driver License (MEDL) issuance system;
- Coordinate with the Secretary of State to develop requirements for the data and signature file specifications for electronic transfer of voter registration application data;
- OA-ITSD must develop a secure process that is a format compatible with the Missouri voter registration system for sending the required signature and voter registration information file to the data file for submission to the Secretary of State;
- OA-ITSD Test the file generation and secure transfer process to ensure all required data elements and signature are sent as required;
- Obtain format and procedure approvals from Secretary of State and others as applicable;
- Update policies, procedures, and the Uniform License Issuance Manual (ULIM);
- Update forms, manuals, and the Department website;
- Complete training as required.

#### **FY 2023 - Driver License Bureau**

|                         |                            |           |
|-------------------------|----------------------------|-----------|
| Research/Data Assistant | 220 hrs. @ \$16.30 per hr. | = \$3,586 |
| Research/Data Analyst   | 260 hrs. @ \$24.29 per hr. | = \$6,315 |
| Administrative Manager  | 80 hrs. @ \$26.37 per hr.  | = \$2,110 |
| Total                   |                            | \$12,011  |

#### **FY 2023 - Personnel Services Bureau**

|                                 |                           |         |
|---------------------------------|---------------------------|---------|
| Associate Research/Data Analyst | 20 hrs. @ \$19.47 per hr. | = \$389 |
| Associate Research/Data Analyst | 10 hrs. @ \$19.47 per hr. | = \$195 |
| Total                           |                           | \$584   |

Total Costs \$12,595

**Oversight** notes that IT costs for §115.427.2(1) according to **DOR** are contracted at \$95 per hour. This section would result in \$2,873 (30.24 hours x \$95) in FY 2023.

### **Revenue Impact**

DOR states currently persons who already hold an acceptable identification for voting are not allowed the no cost nondriver for voting since they cannot complete the required affidavit statement. The removal of this limitation may allow persons who already have a valid driver license or other eligible document to apply for the no cost nondriver for voting. The estimated number of potential applicants who may have a current acceptable identification document for voting and yet request an NDL for voting purposes is 53. This number was determined by reviewing the maximum office denial count statewide in 2021.

The estimated loss of revenue below reflects the office transaction fee and office processing fee since currently the offices are reimbursed for processing fees related to no fee nondriver for voting transactions not collected at the time of issuance.

|  |              |
|--|--------------|
| Potential annual loss of NDL Transaction Fee = \$6.00 x 53=          | \$318        |
| 10 months (FY23) = \$265   |              |
| <b>Total Loss of State General Revenue FY 24, FY 25 and on-going</b> | <b>\$318</b> |

Potential savings from General Revenue by removing reimbursement of processing fees to license offices for current issuance volumes of nondriver for voting documents would be:

\$12.00 x 1,001(948 annual NDL Voting issuance + 53 denials) = \$12,012 potential revenue savings.

Vendor per card cost including postage for NDL \$2.44112 x 53 = \$129 annually FY 24, 25 and on-going (this is assuming these applicants would not have completed application today if fee not waived).

### **This impact could potentially increase on election years when more citizens will utilize the provisions.**

\*\*Oversight notes that there may be a potential increase in loss of revenue during an election year when more citizens may utilize the provisions. According to DOR, the denial count statewide out of 182 offices was 1,442 persons YTD in 2020 (Presidential Election Year). The loss of revenue is reflected below:

|  |                 |
|--|-----------------|
| NDL Transaction Fee (Loss) = \$6.00 x 1,442=                           | (\$ 8,652)      |
| Office Processing Fee (Savings) = \$12.00 x 1,442=                     | <u>\$17,304</u> |
| <b>Total Affect to State General Revenue FY 23, FY 24 and on-going</b> | <b>\$8,652</b>  |

Oversight assumes that Department of Revenue will be able to accomplish the requirements of §115.427.2(1) with existing resources; however, during presidential election years, the cumulative impact may require additional appropriations.

Officials from the **Missouri House of Representatives** assume an unknown fiscal impact, as they do not know if the Speaker would need to secure outside counsel and they have no way of estimating that amount.

Officials from the **Missouri Senate** assume a new appropriation will need to be established to appropriate money for the purpose of paying legal fees. The last time legal fees were paid was in 2010-2011 and the cost was \$75,000 paid from the joint contingent appropriation. In 2017 attorney bids were obtained for potential legal counsel and the bids came in at \$200,000. The case was dropped and nothing was ever paid. These fees would have been paid from the senate contingent appropriation. Therefore, based on past bids from 2017 the Senate would assume costs to be around \$200,000 to be appropriated to the Senate for legal fees.

**Oversight** notes that Section 1 allows the Speaker of the House and the President pro tem of the Senate to obtain legal counsel other than from the Attorney General, with the cost of representation paid from funds appropriated for that purpose, to represent the House of Representatives or Senate in any action in which they intervene on behalf of the general assembly. Oversight notes that is difficult to determine the cost of outside counsel and if it would be utilized. This funding is also dependent on appropriation, Therefore, Oversight will reflect a \$0 or unknown (secure counsel outside of AGO) that could exceed \$250,000 on the fiscal note.

Officials from the **Office of the State Public Defender, Department of Corrections, Department of Public Safety- Missouri Highway Patrol, Missouri Office of Prosecution Services, Attorney General's Office, Office of Administration, Office of the Governor, Joint Committee on Administrative Rules, and Office of the State Courts Administrator** 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.

Officials from the **St. Louis County Board of Elections** assume the proposed section 28.960 is vague at best and could have negative financial ramifications for county election authorities. This proposed section allows the SOS to conduct discretionary audits of voter records in any Missouri county. The section states that the SOS shall verify whether a voter is alive, where the voter resides, and whether the voter is entitled to vote. This may sound straightforward to the uninitiated, but verifying these things can be difficult in practice. For example, many Missouri voters registered to vote decades ago before the last four digits of the Social Security Number were required when registering. It can be quite difficult to match a death record against a voter with no Social Security Number in the voter database. This same type of ambiguity also exists in questions of residency. Presumably the Secretary of State's office, which heretofore has had no statutory role in registering voters or maintaining the voter list, could make some arbitrary decision that a certain voter or voters should be deleted and the local election authority may disagree with this decision. In a case such as this, the local election authority would in the precarious position of having funding withheld. This provision does not detail what funding may be withheld or how much. In a worst case scenario the Secretary of State could withhold the

State's portion of the potential election funding for the August and November 2022 elections. For St. Louis County this would be about \$1.4 million.

Section 115.160.3 will have the DMV electronically transfer voter registrations to the office would save 350 hours of work a year. At the lowest temporary employee salary, this would save \$13,000 annually.

In section 115.225.5 because "electronic vote-counting machine" is not defined, it is assumed this would eliminate the use of tabulation software. In order to hand count 27 million votes (the number of votes cast in the November 2020 election), it would take 45,049 man hours. This would require 200 two-person teams to work 24/7 for ten days in order to have results by the certification deadline. At \$25 an hour, this would cost \$1,125,000. Training costs would include an hour of training for 800 people (counters and back-ups). At \$25 an hour this would cost \$20,000. In addition, they would require the use of a space to fit this many people. To rent a building for 24 hours a day for 10 days, this would cost an estimated \$100,000. Security would be needed at an estimated cost of \$20,000. In total, this would cost \$1,265,000 per county-wide election.

115.022 would prevent them from accepting private money for election administration. This could have a potential impact from \$0-\$2 million.

Officials from **Platte County Board of Elections** state in 2020, they received about \$40,000 in funding that would not be allowed in the proposed legislation. The funding was necessary due to added expenses of conducting an election in the midst of a pandemic.

In addition, several of their poll sites in private buildings charge no or reduced rent for Election Day. This legislation could increase costs if election authorities have to pay something for currently free poll sites, or increase costs a lot if election authorities have to pay a fair price for all our poll sites in private buildings.

Officials from the **Kansas City Board of Elections** assume if this legislation is passed, election estimates would increase by \$75,000, (\$50,000 for PPE supplies and \$25,000 for the printing of documents associated with new absentees' information and photo I.D.) Also, the Board wouldn't allow penetration testing as it would void our contract with the vendor. Also, two new staff would be hired to handle all the DMV transactions at \$40,000 per year, including benefits.

In response to a previous version, officials from **Jackson County Board of Elections** stated currently the Board uses ballot marking devices for absentee voting. Limiting the use of the ADA ballot marking devices to only those with disabilities will increase ballot printing costs substantially.

The Jackson County Election Board can have up to three hundred (300) different ballot styles in an election and would have to print absentee ballots for each ballot style for absentee voting at a cost of .35 cents per ballot. The Board has no way of knowing who will be voting absentee so at



least 2% of each ballot style would have to be printed to cover the walk-in and permanent absentee voters. Currently the Board prints enough absentee ballots for permanent/disabled voters to mail to them and have a small amount for walk-in absentees if the walk-in chooses a paper ballot over the ballot marking device. The ballot marking device allows them to pull up any individual's particular ballot style while also producing a paper ballot at a substantial cost savings.

The Jackson County Election Board along with other Missouri election authorities have invested millions of dollars in ADA machines which are not widely used at the polling locations so making use of them in our absentee department is fiscally responsible and our voters like the machines.

#### Cost to Election Authority/County

Small Elections \$3,500 per election/per year  
Large Elections \$10,000 per election/per year

In response to similar legislation, SB 670 from 2022, officials from the **St. Charles County Election Authority** assumed Section 28.960.3 and Section 115.225.6 state that the SOS may withhold funds from the Local Election Authorities (LEAs). The language does not state which funds may be withheld. As the SOS distributes federal grant funds, the State's "Fair Share" of election costs when appropriated, the Efficiency Grant, absentee mail postage reimbursements and reimbursements for updating the state MCVR database, any and all of these funds could be withheld by the SOS from the LEA. These funds vary by size of election and LEA and are difficult to calculate a total. Withholding all these funds in 2020 would have cost St. Charles County Election Authority \$1,047,000.

**Oversight** notes that §115.160.3 states the Director of Revenue shall utilize electronic voter registration application forms and provide for secure electronic transfer of voter registration information to election authorities. As stated above by the St. Louis County Board of Elections there would be a savings as a result of electronic registrations. Therefore, Oversight will reflect an unknown positive impact to local election authorities in the fiscal note due to this provision.

In response to similar legislation, SB 668 from 2022, officials from the **St. Louis City Board of Elections** assumed the proposal prohibits election authorities from receiving funding from extra-governmental sources. While it is unclear what sources could be available in the future for such funding, the inability to access such a possibility would have a negative fiscal impact on the bipartisan St. Louis City Election Board to access funds. Requiring photo ID for voters would likely increase the amount of provisional votes cast which would need to be processed by election board staff within the certification period. Increased staffing and possible overtime would have a negative fiscal impact. This provisions also eliminates the duty of the SOS to inform the public of the new ID requirement; lack of information would likely lead to confusion on the part of the voter; and lead to casting of more provisional ballots.

**Oversight** notes §115.022 prohibits state of Missouri and political subdivisions from receiving or expending private moneys for preparing, administering, or conducting an election, including registering voters. This could have a potential negative impact on local elections authorities if they are unable to replace private money with an acceptable source according to this provision. Therefore, Oversight will reflect a potential loss of \$0 to Unknown that could exceed \$250,000 on the fiscal note.

**Oversight** notes that §28.960.3 and §115.225.6 state that the SOS may withhold funds from the LEAs. The language does not state which funds may be withheld. As mentioned above by the St. Charles Election Authority the SOS distributes federal grant funds, the State's "Fair Share" of election costs when appropriated, the Efficiency Grant, absentee mail postage reimbursements and reimbursements for updating the state MCVR database, any of these funds could be withheld by the SOS from the LEA. These funds vary by size of election and LEA and are difficult to calculate a total. Therefore, Oversight will reflect a potential loss of \$0 (no funds withheld by SOS) to Unknown (funds withheld by SOS) to the LEAs on the fiscal note. Oversight will reflect a corresponding potential savings of \$0 (no funds withheld by SOS) to Unknown (funds withheld by SOS) to the Other State Funds and Federal Funds on the fiscal note.

**Oversight** also notes that at the beginning of January 1, 2024, no electronic voting systems shall be used. The use of remaining direct-record electronic voting machines shall be phased out upon mechanical failure. Based on most recent survey conducted in 2020, there are 330 DREs in service statewide. All local election authorities (LEAs) which disclosed the use of DREs on the survey have already replaced or have indicated that they are actively planning to replace those machines prior to the date specified in the bill. Therefore, Oversight does not anticipate fiscal impact to LEAs for this provision.

**Oversight** only reflects the responses received from state agencies and political subdivisions; however, other local election authorities and county clerks were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

| <u>FISCAL IMPACT – State Government</u>   | FY 2023<br>(10 Mo.)                             | FY 2024   | FY 2025   |
|---|---|---|---|
| <b>GENERAL REVENUE</b>  |   |   |   |
|   |   |   |   |
| <u>Cost</u> – §1<br>SEN/MHR legal counsel p.7   | <u>\$0 or</u><br><u>(Unknown)</u>               | <u>\$0 or</u><br><u>(Unknown)</u>               | <u>\$0 or</u><br><u>(Unknown)</u>               |
|   |   |   |   |
| <b>ESTIMATED NET EFFECT ON<br/>GENERAL REVENUE FUND</b>   | <b><u>\$0 or</u></b><br><b><u>(Unknown)</u></b> | <b><u>\$0 or</u></b><br><b><u>(Unknown)</u></b> | <b><u>\$0 or</u></b><br><b><u>(Unknown)</u></b> |
|   |   |   |   |
|   |   |   |   |
| <b>OTHER STATE FUNDS</b>  |   |   |   |
|   |   |   |   |
| <u>Savings</u> – §28.960.3 and §115.225.6<br>Potential withholding by SOS of “Fair<br>Share” funding to LEAs p. 8 | <u>\$0 to</u><br><u>Unknown</u>                 | <u>\$0 to</u><br><u>Unknown</u>                 | <u>\$0 to</u><br><u>Unknown</u>                 |
|   |   |   |   |
| <b>ESTIMATED NET EFFECT ON<br/>OTHER STATE FUNDS</b>  | <b><u>\$0 to</u></b><br><b><u>Unknown</u></b>   | <b><u>\$0 to</u></b><br><b><u>Unknown</u></b>   | <b><u>\$0 to</u></b><br><b><u>Unknown</u></b>   |
|   |   |   |   |
|   |   |   |   |
| <b>FEDERAL FUNDS</b>  |   |   |   |
|   |   |   |   |
| <u>Savings</u> – §28.960.3 and §115.225.6<br>Potential withholding by SOS of “Fair<br>Share” funding to LEAs p. 8 | <u>\$0 to</u><br><u>Unknown</u>                 | <u>\$0 to</u><br><u>Unknown</u>                 | <u>\$0 to</u><br><u>Unknown</u>                 |
|   |   |   |   |
| <b>ESTIMATED NET EFFECT ON<br/>FEDERAL FUNDS</b>  | <b><u>\$0 to</u></b><br><b><u>Unknown</u></b>   | <b><u>\$0 to</u></b><br><b><u>Unknown</u></b>   | <b><u>\$0 to</u></b><br><b><u>Unknown</u></b>   |

| <u>FISCAL IMPACT – Local Government</u>   | FY 2023<br>(10 Mo.)                               | FY 2024   | FY 2025   |
|---|---|---|---|
| <b>LOCAL POLITICAL SUBDIVISIONS</b>   |   |   |   |
| <u>Savings</u> - §115.160.3 Electronic registrations p. 8   | Unknown   | Unknown   | Unknown   |
| <u>Loss</u> – LEAs - §115.022<br>Loss of election funding by private sources p.8                            | \$0 to<br>(Unknown)<br>Could exceed<br>\$250,000) | \$0 to<br>(Unknown)<br>Could exceed<br>\$250,000) | \$0 to<br>(Unknown)<br>Could exceed<br>\$250,000) |
| <u>Loss</u> – §28.960.3 and §115.225.6<br>Potential withholding by SOS of “Fair Share” funding to LEAs p. 8 | \$0 to<br>(Unknown)                               | \$0 to<br>(Unknown)                               | \$0 to<br>(Unknown)                               |
| <u>Costs</u> – to implement various provisions of the bill  | \$0 to<br>(Unknown)                               | \$0 to<br>(Unknown)                               | \$0 to<br>(Unknown)                               |
| <b>ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS</b>   | <b>Unknown to<br/>(Unknown)</b>                   | <b>Unknown to<br/>(Unknown)</b>                   | <b>Unknown to<br/>(Unknown)</b>                   |

#### FISCAL IMPACT – Small Business

There could be an impact from the potential statewide loss of Contract Office Processing Fee monies from additional no fee nondriver for voting applications and removal of appropriations language that previously covered the reimbursement of processing fees to contracted license offices. With this proposed language the DOR assumes they will no longer return those fees since funding is not allowed for such and the contractor may see a reduction based on their office nondriver for voting volume.

#### FISCAL DESCRIPTION

This bill changes election laws. In its main provisions the bill:

- (1) Authorizes the Secretary of State (SOS) to audit voter registration lists and require election authorities to remove improper names. Audit procedures are specified in the bill and noncompliance could result in a withhold of funds (Section 28.960, RSMo);
- (2) Prohibits changes to election laws in the 26 weeks preceding a presidential election (Section 115.004);

(3) Removes obsolete references to ballot cards and requires voting machines to be air gapped as a security measure (Section 115.013, 115.417, 115.447);

(4) Removes the one year voter and residency requirement for election commissioners, but retains the requirements of voter registration and residency at the time of appointment (Section 115.031);

(5) Exempts board of election commissioners and clerk employees from requirement to reside or register within the jurisdiction in which they serve (Sections 115.045 and 115.051);

(6) Allows appointment of election judges who reside outside the requisite election authority's jurisdiction without the need for written consent from the election authority in whose jurisdiction the potential judge resides. Procedures for selecting election judges from lists submitted by political party committees is specified (Section 115.081; 115.085);

(7) Candidates for election challenger need not be a registered voter within the jurisdiction they serve and have the same qualifications as election judges (Section 115.105);

(8) Candidates for watcher need not be a registered voter within the jurisdiction they serve and have the same qualifications as election judges (Section 115.107);

(9) Repeals specified registration exceptions for intrastate new residents (Section 115.135);

(10) Authorizes the Department of Revenue to use electronic applications when sending materials to election authorities under the existing voter registration program in place at the Division of Motor Vehicles and Drivers Licensing, within the Department of Revenue. Electronic applications shall be sent no later than three business days after completion of a form. The electronic applications shall be secure and in a format compatible with the existing Voter Registration System under Section 115.158. The Secretary of State and Director of Revenue shall guarantee the security and transmission of electronic data. Images of signatures may be used for the purpose of voter registration (Sections 115.151, 115.160, 115.960);

(11) Restricts voter information released by election authorities by eliminating the date of birth and prohibiting uses for commercial purposes. Certain requirements to release such information to the general public are also repealed or modified (Sections 115.157 and 115.289); (11) Allows registered voters to file change of address forms in person on Election Day (Sections 115.165);

(12) Prohibits the payment of persons for soliciting voter registration applications and requires registration of any person soliciting more than 10 voter registration applications (Section 115.205);

(13) Beginning January 1, 2024, the bill requires the use of a paper ballot and repeals electronic voting system language with certain exceptions for voting equipment used for the disabled. Requires local election authorities to be members of the Center for Internet Security and allows the SOS to review cyber security for local election authorities and vendors as specified in the

bill. Testing of vendor products such as programs and machines is allowed and subject to appropriation (Sections 115.225, 115.237, 115.447);

(14) Defines absentee ballots as those authorized to be cast away from a polling place or in the office of the election authority or other authorized location designated by the election authority. References to Space Force are included for purposes of voting processes and electronic ballot information authorized for the armed forces (Sections 115.257, 115.275 and 115.427);

(15) Allows use of absentee ballots to vote in person with a form of personal identification as specified in the bill. Notarization requirements are also specified in the bill depending upon the excuse for voting absentee and whether or not voting is conducted in person. Affidavit forms are modified. The casting of in person absentee ballots with photographic identification is authorized only if courts uphold the constitutionality of photographic identification requirements as specified in the bill (Sections 115.277 and 115.279, 115.283);

(16) Prohibits the solicitation of absentee ballot applications and prevents filling in such applications for voters prior to providing a form (Section 115.279);

(17) Authorizes the counting of absentee ballots received in person prior to Election Day and those received by mail or authorized drop box prior to the closing of polls on Election Day (Section 115.286);

(18) Allows voter assistance in cases of temporary confinement due to illness or physical disability on election day, but repeals specific COVID-19 references to mail-in ballots that have expired (Sections 115.287, 115.291, and 115.652);

(19) Specifies photographic identification requirements for voting a regular ballot, but allows use of provisional ballots with any type of documentation currently allowed for voting. A line item appropriation for the Secretary of State's Office regarding notice of personal identification is repealed. Certain affidavit requirements are repealed and requirements for provisional ballots are specified in the bill (Section 115.427);

(20) Specifies that once a ballot is deposited in the ballot box, then it is deemed cast (115.435); and

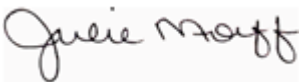
(21) Creates the "Missouri Elections Sovereignty Act" which asserts that the enumerated powers of the federal Congress are explicitly limited to regulation of the time, place, and manner of federal elections, and that the states retain authority over state and local elections. The state of Missouri will comply with Constitutional requirements regarding all elections. Election procedures may be separated for federal versus state and local elections in order to preserve the right and duty of state governments to regulate voter qualifications and the conduct of elections at the state local level.

(22) Repeals expired Section 115.302, which allowed mail in ballots during the COVID-19 crisis and other sections referencing obsolete COVID-19 laws (Section 115.652);


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

Attorney General's Office  
Department of Corrections  
Department of Revenue  
Missouri Highway Patrol  
Office of Administration  
Office of the Governor  
Joint Committee on Administrative Rules  
Missouri Senate  
Missouri House of Representatives  
Office of the Secretary of State  
Office of the State Public Defender  
Missouri Office of Prosecution Services  
Office of the State Courts Administrator  
Platte County Board of Elections  
Jackson County Board of Elections  
St. Charles Election Authority  
St. Louis County Board of Elections  
Kansas City Board of Elections



Julie Morff  
Director  
March 9, 2022



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March 9, 2022