

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5277-01
Bill No.: SB 1231
Subject: Secretary of State: Elections, Runoffs
Type: Original
Date: March 27, 2008

Bill Summary: Implements instant runoff voting.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2009	FY 2010	FY 2011
Local Government	(Unknown)	\$0	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Office of the Secretary of State - Elections Division** assume no fiscal impact.

Officials of the **Office of the Secretary of State - Rules Division** stated that many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The Secretary of State's office 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 Secretary of State's office for Administrative Rules is less than \$2,500. The Secretary of State's office recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, we also recognize 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 our office can sustain with our core budget.

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 request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

Officials of the **Platte County Board of Election Commission** assume they would need to purchase a software/hardware package that would permit them to conduct a runoff type of election.

Officials assume that it is possible that their current vendor could add this feature to their software, but assume this would require both Federal and State of Missouri certification before they could use the upgraded software. Officials assume, depending upon the implementation date, that they could be required to dump their current system and see if there is an existing system on the market that would accommodate this type of voting. Officials assume costs in FY 2009 could be a minimum of \$600,000, and estimate costs in FY 2010 and 2011 at \$75,000 as ongoing fees related to annual software and hardware maintenance.

Officials of the **Jackson County Board of Election Commission** assume that to be able to comply with the requirements of this proposal the board would need a complete change to their existing tabulation program from the equipment vendor. Officials estimate the minimum charge would be at least \$30,000 and could exceed \$100,000.

<u>FISCAL IMPACT - State Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2009 (10 Mo.)	FY 2010	FY 2011

**LOCAL GOVERNMENT -
ELECTION AUTHORITIES**

Costs - To Local Election Authorities
From programming/hardware,
maintenance costs

	<u>(Unknown)</u>	<u>\$0</u>	<u>(Unknown)</u>
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ESTIMATED NET EFFECT TO LOCAL GOVERNMENT - Election Authorities *	<u>(Unknown)</u>	<u>\$0</u>	<u>(Unknown)</u>
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*** Costs on a statewide basis would be expected to exceed \$100,000 annually. Oversight assumes costs would occur every two years.**

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This act requires a system of instant runoff voting in all primary, general, and special elections where there are three or more candidates running for the office of President and Vice President; United States Senate or House of Representatives; Governor, Lieutenant Governor, Attorney General, Secretary of State, Auditor, or State Senator or Representative.

DESCRIPTION (continued)

Under this system, voters rank the candidates and only a candidate with a majority of first choice rankings shall be elected or nominated. If no candidate has a majority, the lowest ranked candidate drops out and the next highest rankings on those ballots are attributed to the other candidates accordingly, until a candidate achieves a majority.

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 - Elections and
Rules Division
Platte County Board of Election Commission
Jackson County Board of Election Commission

NOT RESPONDING

Kansas City Board of Election Commission
St. Louis City Board of Election Commission
Clay County Board of Election Commission
St. Louis County Board of Election Commission

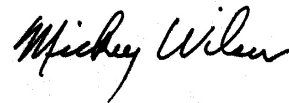
County Clerk of the County of:

Boone
Buchanan
Callaway
Cass
Cole
Cooper
Johnson
Laclede
Lafayette
Lawrence

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NOT RESPONDING (continued)

Lincoln
Taney
Texas
Webster



Mickey Wilson, CPA
Director
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