

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4467-09
Bill No.: SS for SCS for HB 1446
Subject: Cities, Towns, and Villages; County Government; County Officials; Education, Elementary and Secondary; Education, Higher; Political Subdivisions; Roads and Highways; Secretary of State; Taxation and Revenue-Sales and Use; Transportation; Utilities
Type: Original
Date: May 18, 2018

Bill Summary: This proposal modifies several provisions relating to elections.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

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 7 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	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown

FISCAL ANALYSIS

ASSUMPTION

Oversight was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Officials from the **Office of the Secretary of State** assume the proposal will have no fiscal impact on their organization.

Officials from the **Office of Prosecution Services** assume the proposal will have no measurable fiscal impact on their organization.

Officials from the **Office of the Governor, Missouri Ethics Commission, Missouri Tax Commission, Office of the State Treasurer, and Department of Revenue** each assume the proposal will have no fiscal impact on their respective organizations.

Officials from the **Jackson County Election Board** assume the proposal will have no fiscal impact on their organization.

Officials from the **City of Kansas City** assume the provisions of section 321.320 could have a negative impact on Kansas City if Platte County increases its population to 150,000 and the Kansas City were to annex property in such county because Kansas City could not provide fire protection and EMS services to such annexed area.

Officials from the **State Technical College of Missouri** and **Missouri State University** both assume the proposal will have no fiscal impact on their organization.

§32.315 DOR Annual Report

In response to similar legislation from this year, CCS for HCS for SB 773, officials at the **Office of Administration - Budget and Planning (B&P)** assume this section requires the Department of Revenue to issue an annual report listing all sales and levies that meet certain requirements. B&P estimates that this proposal will not have a statewide, Total State Revenue, or 18(e) impact.

ASSUMPTION (continued)

Officials at the **Department of Revenue (DOR)** shall issue an annual report on or before January 1, 2019, and every January 1 thereafter, listing all sales and use levies that are:

1. Authorized pursuant to state law.
2. Collected by the Department of Revenue.
3. Approved by voters at an election.

The report required under subsection 1 of this section shall indicate the provision of law authorizing such tax levy. DOR assumes this would not have a fiscal impact to the Department.

§115.124

In response to a similar proposal (SB 876), officials from the **Office of the Secretary of State** assumed the proposal will have no fiscal impact on their organization.

In response to a similar proposal (SB 876), officials from the **Cole County Clerk's Office** assumed this proposal would cost the County money. Cole County is still required to advertise the non-election and we charge the political subdivision the portion of cost for the ad to notify the voter of non-election.

The newspaper breaks out the ad proportionately and we charge each political subdivision for their part.

If a political subdivision has a non-election then they are charged for the cost of advertising only.

Oversight notes section 115.124 would allow cities, towns, or villages with less than 2,000 inhabitants to skip local elections if the number of open seats equals the number of candidates running for those seats. We are unable to determine the number of cities, towns, or villages that would not participate in those elections; therefore, Oversight will show the fiscal impact to the Local Election Authorities (LEA) as a savings of \$0 or Unknown.

In response to a similar proposal (SB 876), officials from the Platte County Board of Elections, St. Louis County Board of Election Commissioners, Kansas City Election Board, Jackson County Election Board, St. Louis County, and City of Kansas City each assumed the proposal will have no fiscal impact on their respective organizations.

ASSUMPTION (continued)

§115.157

In response to a similar proposal from this year (SB 702), officials from the **Office of the Secretary of State** assumed the proposal will have no fiscal impact on their organization.

In response to a similar proposal from this year (SB 702), officials from the **St. Louis County Board of Election Commissioners, Platte County Board of Election Commissioners, and Kansas City Election Board** assumed the proposal will have no fiscal impact on their respective organizations.

§321.320

In response to similar legislation from this year (SB 889), officials at the **Boone County Fire Protection District** assume that the City of Columbia will annex some property that is currently part of the Boone County Fire Protection District over the next three years. If they do so, the Boone County Fire Protection District will lose property taxes from our budget. If SB 889 becomes law, we will continue to receive property taxes at our current tax rate on any property annexed by the City of Columbia, along with any additional amounts as property assessment increases. We estimate that the positive fiscal impact to the Boone County Fire Protection District is less than \$50,000 over an initial three year period.

Officials at the **Department of Public Safety's Division of Fire Safety** assume no fiscal impact from this proposal.

Officials at **Boone County** assume no fiscal impact from this proposal.

Oversight assumes this proposal allows the City of Columbia and the Boone County Fire Protection District to continue service as usual for properties annexed by Columbia. Oversight will assume the property taxes (and fire protection services) will continue to apply to the fire protection district and that the continuance of revenue to the fire protection district (and continuance of fire protection) will be offset by a loss (and not a start of fire protection) by the City of Columbia. Oversight assumes the net impact to local political subdivisions will offset.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
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LOCAL ELECTION AUTHORITIES

<u>Savings 115.124</u> some elections no longer required	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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ESTIMATED NET EFFECT ON LOCAL ELECTION AUTHORITIES	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>	<u>\$0 or Unknown</u>
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FISCAL IMPACT - Small Business

There could be a direct fiscal impact to small businesses as a result of this proposal.

FISCAL DESCRIPTION

This proposal modifies provisions for local elections and political subdivisions.

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
Office of Prosecution Services
Office of the Governor
Missouri Ethics Commission
Missouri Tax Commission
Office of the State Treasurer
Department of Revenue
Platte County Board of Election Commissioners
Kansas City Election Board
Jackson County Board of Election Commissioners
St. Louis County Board of Election Commissioners
St. Louis County
Buchanan County
Boone County
City of Kansas City
City of Springfield
Missouri State University
Missouri Western State University
State Technical College of Missouri
Summersville R-2 School District
Kirksville R-III School District

Ross Strope



Acting Director
May 18, 2018