

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4850-02
Bill No.: SB 592
Subject: Elections; Secretary of State
Type: Original
Date: January 25, 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
General Revenue Fund	(\$3,900,000)	\$0	(\$7,800,000)
Total Estimated Net Effect on General Revenue	(\$3,900,000)	\$0	(\$7,800,000)

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 9 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	\$3,900,000	\$0	\$7,800,000

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** assume the proposal would compel the state to pay proportional election costs incurred by local election authorities whenever a state-level issue appears on a ballot. In particular, this proposal would require the state to pay election costs for each primary and general election held in the state, subject to appropriation by the General Assembly. In the past, the cost of holding a statewide election has been estimated at \$7.8 million, based on the 2016 Presidential Preference Primary, during which the state's proportional cost is roughly 100% of the total election. It can be assumed that the state's proportional share for both primary and general elections held in the state would be less, for the purposes of this fiscal note a 50% share is assumed with other political subdivisions with issues on the ballot. Using this methodology as a guideline, this bill would create estimated costs of \$3.9 million in FY 2019 and of \$7.8 million in FY 2021, as the effective date of the bill (August 28, 2018) would be after the August primary election (August 7, 2018).

Officials from the **Lincoln County Clerk's Office** assume the proposal is estimated to save as much as \$110,000 in each even-numbered year due to the state paying as much as 50% of the cost of the August Primary and the November General Election costs.

Potential and significant savings may be realized through reduced ballot reprinting costs by moving the deadline to add or remove questions and candidates to or from the ballot away from the start of the absentee voting period.

Potential and significant costs may be realized if the SOS is allowed to determine if the cost of an election is "reasonable", or, if sufficient cash is not appropriated relieving the state of their liability. Removal of the \$50 per day penalty for a district or subdivision failing to pay their election costs by the deadlines set forth may also impede our ability to collect those costs. If political subdivisions refuse to pay their proportionate share of just the annual municipal election, the costs could be as high as \$110,000 each year.

Officials from the **St. Louis County Election Board** assume the proposal could have a positive fiscal impact for the St. Louis County Election Board up to \$1.5 million per even numbered year. Depending on the interpretation of certain aspects of the bill, this legislation could result in a negative fiscal impact in the amount of \$1 million per year.

Officials from the **Platte County Board of Elections** assume Section 115.287.2 adds additional time (5 more days) for election authority to deliver ballots to persons becoming ill/institutionalized after the 2nd Wednesday prior to the election. Costs would increase by

ASSUMPTION (continued)

election for covering the members of the bi-partisan traveling absentee team, as well as mileage for the additional days of service.

An addition of \$1,550 per election is a conservative estimate.

2019- 4 elections x \$1,550 = \$6,200.00

2020 - 3 elections x \$1,550 = \$4,650.00

2021 - 3 elections x \$1,550 = \$4,650.00

Any special elections called would also incur the additional expense.

Finally, Platte County Board of Election's major issue has been finding election judges able to devote the 4 days to traveling to assist these covered voters. It will be even more difficult to find such willing individuals to devote an additional 5 days for a total of 9 days to this service.

Oversight assumes there will be a positive fiscal impact to local election authorities if election costs are paid by the state in even-numbered years; therefore, Oversight will reflect a savings to local election authorities equal to the potential costs estimated by SOS.

Officials from the **Missouri Ethics Commission** assume the proposal will have no fiscal impact on their organization.

Officials at the following **boards of election commissions** and **local election authorities**: Clay County Board of Election Commission, Jackson County Election Board, Kansas City Board of Elections, and St. Louis City Board of Elections did not respond to **Oversight's** request for fiscal impact.

Officials from the following **county clerks**: Andrew, Atchison, Audrain, Boone, Buchanan, Callaway, Camden, Cape Girardeau, Carroll, Cass, Christian, Clay, Clinton, Cole, Cooper, Davies, Dekalb, Dent, Franklin, Greene, Holt, Jefferson, Johnson, Knox, Laclede, Lawrence, Maries, Marion, Miller, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Perry, Pettis, Phelps, Pulaski, Scott, St. Charles, St. Francois, Taney, Warren, Wayne, and Worth did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Cost - SOS - election cost for primary and general elections</u>	<u>(\$3,900,000)</u>	<u>\$0</u>	<u>(\$7,800,000)</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>(\$3,900,000)</u>	<u>\$0</u>	<u>(\$7,800,000)</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
LOCAL ELECTION AUTHORITIES			
<u>Savings - state paying for primary and general election costs</u>	<u>\$3,900,000</u>	<u>\$0</u>	<u>\$7,800,000</u>
ESTIMATED NET EFFECT ON LOCAL ELECTION AUTHORITIES	<u>\$3,900,000</u>	<u>\$0</u>	<u>\$7,800,000</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposal modifies several provisions relating to elections.

Sections 115.061, 115.063, 115.065, 115.077 - This proposal provides that all costs of elections involving a statewide candidate, statewide issue, state representative, or state senator shall be paid by the state, except if a political subdivision or special district holds an election on the same day, in which case the costs of the election shall be shared proportionately. Furthermore, when a candidate or question is submitted to a vote by two or more political subdivisions or special districts or by the state and one or more political subdivision or special district, the costs of the election shall be paid proportionately from the general revenues of the state and all political subdivisions or special districts submitting a candidate or question for election.

Current law provides that the state shall not be liable for any costs of a general or primary election held in an even-numbered year. This proposal repeals that provision.

FISCAL DESCRIPTION (continued)

The proposal provides that not later than the fifth Tuesday prior to an election, the election authority shall submit the estimated cost of conducting the election to each political subdivision or special district calling the election. Payment shall be made by such political subdivision or special district within two weeks of receipt of estimated cost. Election authorities are required to refund to the state, political subdivision, or special district any difference between the amount paid and the amount that it cost to conduct the election no later than 8 weeks following the election. Conversely, if the amount paid is less than the amount that was required to conduct the election, the election authority shall notify the proper officials no later than 8 weeks following the election and submit a request for the difference. If the state is required to pay any election costs, the Secretary of State shall pay a reasonable estimate of the costs of the election no later than the 7th Tuesday prior to the election.

Sections 115.125 and 115.127 - Current law provides that the officer or agency calling a special election to fill a vacancy shall certify a sample ballot to the election authorities responsible for conducting the election no later than the 4th Tuesday prior to the election. This proposal changes that to the 6th Tuesday prior to the election.

Current law allows for a late notice of election by the political subdivision or special district no later than the 6th Tuesday before the election, with certain qualifications. This proposal permits late notice no later than the 8th Tuesday prior to an election.

Current law prohibits a court from ordering an individual or issue to be placed on a ballot less than 6 weeks prior to an election. This proposal extends that prohibition to 8 weeks prior to the election.

Current law provides that no candidate's name or ballot issue which appears on the sample ballot or official printed ballot shall be stricken or removed from the ballot except on death of a candidate or by court order. This proposal adds to that prohibition by stipulating that in no case shall a candidate or issue be removed less than 8 weeks prior to the election.

Sections 115.155, 115.287, and 115.429 - The proposal permits complaints to be filed with the Elections Division of the Secretary of State's office by the following persons:

- A person who has been determined by an election authority to not be entitled to register to vote;
- A person who has been deemed not entitled to vote by absentee ballot by an election authority; and

FISCAL DESCRIPTION (continued)

- A person who has not been permitted to vote by the election judges because of doubt as to his or her identity or qualifications to vote.

Sections 115.279, 115.284, 115.287, 115.299, and 115.910 - The proposal permits election authorities to accept applications for absentee ballots by email.

Current law requires an application for absentee ballot not made in person or an application for military-overseas ballot be made by 5 PM on the Wednesday immediately prior to the election. This proposal requires such applications to be made by 5 PM on the 2nd Wednesday immediately prior to the election.

Current law permits any voter who has become hospitalized or otherwise confined to a specified health care facility on the Wednesday prior to an election, to cast an absentee ballot upon delivery by the election authority. This proposal extends that provision to the 2nd Wednesday prior to the election.

Sections 115.329 and 115.373 - The proposal provides that when a special election to fill a vacancy is called to fill an unexpired term for state representative or state senator, the secretary of state shall not accept any petition for the formation of a new party or for the nomination of an independent candidate after 5:00 PM on the 21st day after the writ of election is issued.

Furthermore, political party nominating committees are required to file the name of its nominee for such election no later than 5 PM on the 21st day after the issuance of the writ of election.

Section 115.335 - Under current law, when the Secretary of State verifies signatures on a petition for the formation of a new party or for an independent candidate, copies of the petition pages may be sent to the appropriate election authorities and communication between the Secretary of State and the election authority must be by certified mail. This proposal repeals the certified mail requirement.

Furthermore, current law stipulates that the Secretary of State may not designate a deadline for returning verification of a petition less than 10 or more than 40 days. This proposal changes that provision so that the Secretary shall not designate a deadline which is less than 7 days after the petition has been received by the election authority.

Sections 115.359 and 115.361 - Current law permits a candidate who has filed for an office or who has been nominated for an office to withdraw as a candidate under certain circumstances no later than 6 weeks prior to the election. This proposal permits withdrawal no later than 8 weeks

FISCAL DESCRIPTION (continued)

prior to the election.

Under current law, if a candidate for nomination to an office in which the candidate is the incumbent or the only candidate dies, withdraws, or is disqualified after 5:00 p.m. on the last day in which a person may file as a candidate for nomination, and at or before 5:00 p.m. on the 8th Tuesday prior to any primary election, filing for the office shall be reopened for a period of 5 working days. This proposal moves that deadline up to 5 PM on the 10th Tuesday prior to the election.

Under current law, if a candidate for nomination to an office in which the candidate is the only candidate dies, withdraws, or is disqualified after 5:00 p.m. on the 6th Tuesday prior to a primary election, the election and canvass shall not proceed, and a vacancy shall exist on the general election ballot. This proposal extends that deadline to the 10th Tuesday prior to the election.

Section 115.363 - The proposal provides that if there are no candidates for a primary, general, or special election due to death, disqualification, or withdrawal of a candidate after the last day for filing, the political party nominating committees may appoint a candidate at or before 5 PM on the 10th Tuesday prior to the election.

Sections 115.373 and 115.379 - The proposal stipulates that whenever a candidate for nomination or election to an office at a primary, general, or special election to fill a vacancy dies or is disqualified after 5:00 p.m. on the 8th Tuesday, rather than the 4th or 6th Tuesday, prior to the election, his or her name shall be printed on the ballot.

Section 115.493 - The proposal requires the election authority to keep all ballot envelopes relating to each election for 22 months after the date of the election, at which point they may be destroyed.

During the time that voted ballots, ballot cards, ballot envelopes, absentee ballot applications, processed ballot materials in electronic form, and write-in forms are kept by the election authority, it shall not open or inspect them or allow anyone else to do so, except upon order of a legislative body trying an election contest, the secretary of state's office, if conducting an investigation, a court, or a grand jury. The proposal further stipulates that lists of applicants for absentee ballots shall be available.

Section 115.637 - Under current law, it is a Class 4 election offense to conduct exit polling, surveying, sampling, electioneering, distributing election literature, posting signs, or placing

FISCAL DESCRIPTION (continued)

vehicles bearing signs with respect to any candidate or question to be voted on at an election on election day inside the building in which a polling place is located or within twenty-five feet of the building's outer door closest to the polling place. This proposal extends that requirement to within 100 feet of the building's outer door closest to the polling place.


The proposal repeals numerous obsolete provisions and erroneous intersectional references.

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
Missouri Ethics Commission
St. Louis County Election Board
Platte County Board of Elections
Lincoln County Clerk's Office

Ross Strope



Acting Director
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