

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6693-01
Bill No.: SB 1067
Subject: Elections
Type: Original
Date: March 9, 2018

Bill Summary: This proposal modifies the law relating to paper ballots.

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 5 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 to (Unknown)	\$0 or Unknown to (Unknown)	\$0 or Unknown to (Unknown)

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** assume 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 \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, 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 our core budget. Therefore, 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 request funding through the appropriation process.

In response to a similar bill (HB 2208), officials from the **St. Louis County Director of Elections** assumed the proposal would require the use of paper ballots in future elections, and restrict DRE usage to those with disabilities. The number and cost of the additional paper ballots that would have to be produced for an election cycle are:

FY 2019 - additional printing of 210,000 ballots at .32 cents each for 3 elections total \$67,200

FY 2020 - additional printing of 842,500 ballots at .29 cents each for 4 elections total \$244,325

FY 2021 - additional printing of 210,000 ballots at .32 cents each for 3 elections total \$67,200

FY 2022 - additional printing of 597,500 ballots at .31 cents each for 4 elections total \$185,225

Total cost over 4 years is \$563, 950

Officials from the **Kansas City Election Board** and **Platte County Board of Elections** both assume the proposal will have no fiscal impact on their respective organizations.

ASSUMPTION (continued)

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

Oversight assumes it could be years before the current inventory of voting machines is eventually put out of service. Oversight assumes the local political subdivision will have fiscal impact, including savings of not replacing the current inventory with like machines and decreased maintenance, as well as the new cost of printing of paper ballots (as described by St. Louis County above).

<u>FISCAL IMPACT - State Government</u>	FY 2019 (6 Mo.)	FY 2020	FY 2021
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (6 Mo.)	FY 2020	FY 2021
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LOCAL ELECTION AUTHORITIES

<u>Savings</u> - not replacing the DRE machines and decrease maintenance expense	\$0 or Unknown	\$0 or Unknown	\$0 or Unknown
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<u>Cost</u> - increased cost for printing paper ballots	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>	\$0 or <u>(Unknown)</u>
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ESTIMATED NET EFFECT ON LOCAL ELECTION AUTHORITIES	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>	<u>Unknown to (Unknown)</u>
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FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

This proposal requires that all electronic voting systems produce results from paper ballots marked by hand, or in the case of disabled voters who need assistance, from paper ballots marked by a paper ballot marking device designed to assist such voters.

The use of remaining direct-record electronic voting machines shall be phased out upon mechanical failure.

This act has a delayed effective date of January 1, 2019.

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
Platte County Board of Elections
St. Louis County Board of Election Commission

Ross Strope



Acting Director
March 9, 2018