

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4193S.01I
 Bill No.: SB 730
 Subject: County Officials; Elections; Secretary of State
 Type: Original
 Date: January 18, 2022

Bill Summary: This proposal modifies provisions relating to absentee voting.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
General Revenue*	Could exceed (\$250,000)	Could exceed (\$250,000)	Could exceed (\$250,000)
Total Estimated Net Effect on General Revenue	Could exceed (\$250,000)	Could exceed (\$250,000)	Could exceed (\$250,000)

* Potential negative fiscal impact that could exceed \$250,000 for the reimbursement to local election authorities for returned ballot postage.

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

Numbers within parentheses: () indicate costs or losses.

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

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Total Estimated Net Effect on FTE	0	0	0

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.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2023	FY 2024	FY 2025
Local Government	(Unknown)	(Unknown)	(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 \$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.

Oversight notes there could be a potential increase in absentee ballots if this proposal were to be enacted. There may be additional mailing expense for returned voted ballot postage that will be charged to the State of Missouri. According to the **SOS**, the following is the amount reimbursed to local election authorities (95 of 116 requested reimbursement) in the past five years.

FY 2018	\$50,000
FY 2019	\$100,484.50
FY 2020	\$58,709.55
FY 2021	\$477,017.26
FY 2022	\$24,981.24

Oversight is unable to predict how many additional individuals will cast an absentee ballot by mail; however, as seen in the 2020 (FY 2021) election the number mailed ballots increased substantially during the COVID pandemic. Therefore, Oversight will reflect negative fiscal impact that could exceed \$250,000 (\$477,017 in FY 2021 when allowed reasons for voting absentee were expanded by SB 631 (2020)) for the reimbursement to local election authorities for returned ballot postage.

In response to similar legislation, HB 867 from 2021, officials from the **Kansas City Election Board** assumed the fiscal impact of this proposal would be to hire 2 new permanent employees at \$40,000 each including benefits (2 x \$40,000 = \$80,000). Postage and printing per election

would increase \$10,000 to handle the increased volume of absentee voters. Legal notices to notify the public about changes to absentee voting would be \$5,000.

Officials from the **Jackson County Election Board** assume if any bill passes that allows voters to vote absentee without stating a reason the bill must state in-office only no-excuse absentee for persons inside the jurisdiction. If this stipulation is not met Jackson County would see an enormous increase in absentee requests increasing the cost substantially.

Jackson County Election Board anticipates a 30-35% increase in mail outs within their jurisdictional boundaries if the proposal should pass.

Using Presidential Year 2020 as a guide, the increase in postage costs would be:

March Mail Outs	1,768	35% increase (618) x \$1.36 cents =	\$840.48
April Mail Outs	2102	35% increase (736) x \$1.36 cents =	\$1,000.96
August Mail Outs	7,092	35% increase (2,482) x \$1.36 cents =	\$3,375.52
November Mail Outs	32,110	35% increase (12,239) x \$1.36 cents =	\$16,645.04

Total Postage **\$21,862.00**

Ink, Envelopes, Voting Instructions **= \$10,000**

Additional part-time help to assemble additional mail-outs of absentee ballots: **= \$15,000.00**

Reprinting of absentee ballot envelopes 200,000 to remove excuses **= \$18,000.00**

Total Fiscal Note for Jackson County Election Board **= \$64,862.00**
(per even numbered year)

In response to similar legislation, HB 1650 from 2022, officials from the **St. Louis City Board of Elections** assumed the proposal creates no excuse absentee voting for the entire 6 week period prior to an election. To adapt to the likely increase in in-person absentee voting, election authorities would have to create additional in-person absentee voting opportunities. Three weeks prior to the 2020 General Election the St. Louis City Election Board established 4 in-person absentee voting centers. The cost of labor was approximately 45K. While this 45K was an additional expense, because more voters were aware of in person absentee opportunities, more voters voted absentee (33% of all votes cast), and stress on Election Day polling places was significantly decreased. With planning and time to analyze voting patterns, increased access to in-person absentee voting could lead to efficiencies within election authorities and increased savings.

Officials from the **Platte County Board of Elections** and **St. Louis County Board of Elections** assume the proposal will have no fiscal impact on their organizations.

Oversight notes there could be an increase in absentee ballots if this proposal were to be enacted. Oversight is unable to predict how many additional individuals will cast an absentee ballot; therefore, Oversight will reflect an unknown fiscal impact for the additional cost to local election authorities.

Oversight only reflects the responses that we have 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 general listing of political subdivisions included in Oversight’s database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
GENERAL REVENUE FUND			
<u>Cost - SOS - returned ballot postage</u>	Could exceed (\$250,000)	Could exceed (\$250,000)	Could exceed (\$250,000)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	Could exceed (\$250,000)	Could exceed (\$250,000)	Could exceed (\$250,000)

<u>FISCAL IMPACT – Local Government</u>	FY 2023 (10 Mo.)	FY 2024	FY 2025
LOCAL ELECTION AUTHORITIES			
<u>Cost - processing additional absentee ballots</u>	(Unknown)	(Unknown)	(Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	(Unknown)	(Unknown)	(Unknown)

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

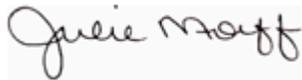
Under current law, a person may vote absentee for candidates and ballot issues in any election in which he or she is eligible to vote if such voter expects to be prevented from going to the polls

for specified reasons. This act permits a person to vote absentee for any reason or no reason at all.

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
Jackson County Election Board
St. Louis County Board of Elections
St. Louis City Board of Elections
Platte County Board of Elections



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January 18, 2022



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