

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1095H.14C
Bill No.: HCS for SS for SB 152
Subject: Campaign Finance; Elections; Ethics
Type: Original
Date: April 28, 2025

Bill Summary: This proposal modifies provisions for elections and campaign finance.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	Could exceed (\$81,043)	Could exceed (\$88,547)	Could exceed (\$89,486)
Total Estimated Net Effect on General Revenue	Could exceed (\$81,043)	Could exceed (\$88,547)	Could exceed (\$89,486)

*Costs for DOC FTE and unknown costs for OSCA. Oversight assumes the impact will be under \$250,000 annually.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
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 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2026	FY 2027	FY 2028
General Revenue	1 FTE	1 FTE	1 FTE
Total Estimated Net Effect on FTE	1 FTE	1 FTE	1 FTE

- ☐ 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 2026	FY 2027	FY 2028
Local Government	\$0 to Unknown	\$0 to Unknown	\$0 to Unknown

*Oversight assumes the fine revenue will not exceed the \$250,000 threshold annually.

FISCAL ANALYSIS

ASSUMPTION

§§115.105 and 115.107 – Election Challengers

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

In response to similar legislation from this year, HCS for HB 638 (2025), officials from the **Jackson County Election Board**, and the **St. Louis City Board of Elections** both assumed this proposal will have no fiscal impact on their organizations.

Oversight notes that the above mentioned agency has stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other county clerks and local election authorities were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

§115.1630 – Limitations on Actions by Election Authorities

Officials from the **Department of Corrections (DOC)** assume §115.1630.3 of the proposed legislation appears to suggest that no government entity shall purchase any services from an entity unless the entity completes a certification. This certification must be renewed annually. Using a broad definition of services because the proposed legislation does not define them; in FY24, the DOC procured services from over 500 different entities. Any delay could be a safety and security issue. The DOC would need to add one Procurement Officer I position (\$81,043) to maintain the annual certifications.

Oversight does not have information to the contrary and therefore, Oversight will reflect the estimates as provided by the DOC.

Officials from the **Office of Administration – Budget and Planning (BAP)** state this bill prohibits foreign entities from funding or influencing ballot measures or campaign committees and provides requirements for challengers and watchers to be certified for election day at polling places. If the AGO wins a lawsuit against these provisions, the court may award the state statutory damages up to twice the amount of the prohibited contribution or expenditure. Finally, the court may also assess a penalty up to three times those statutory damages for willful violation of new sections 130.170 to 130.188. This new penalty would positively impact Total State Revenue in an unknown amount.

In response to similar legislation, HCS for HB 794, officials from the **Office of Administration - Budget and Planning (BAP)** stated this bill prohibits the state from soliciting or receiving any funds or in-kind goods for election administration. This bill also prohibits state memberships with entities who engage in election administration or receive foreign funding directly or through donations. This bill adds a Class B Misdemeanor for violation of any of these provisions which carries a maximum penalty of six months in jail or a \$500 fine. Article IX, Section VII of the Missouri Constitution requires that penalties, forfeitures, and fines collected for violations of state law be distributed to schools. To the extent any additional revenue is deposited into the State Treasury from fines resulting from violations ruled as Class B Misdemeanors by this proposal, Total State Revenue may increase. It is also important to note that SB 81 (2021) was passed and restricts the use of private funds for the administration of elections, including acceptance of donations for election-related purposes.

Oversight notes that violations of section 115.1630 could result in fines or penalties. Oversight also notes per Article IX Section 7 of the Missouri Constitution fines and penalties collected by counties are distributed to school districts. Fines vary widely from year to year and are distributed to the school district where the violation occurred. Oversight will reflect a positive fiscal impact of \$0 to Unknown to local school districts. For simplicity, Oversight will not reflect the possibility that fine revenue paid to school districts may act as a subtraction in the foundation formula.

In response to similar legislation, HCS for HB 794, officials from the **Office of the State Public Defender (SPD)** stated per the National Public Defense Workload Study, the new charge contemplated by this change to Section 115.1630 would take approximately fourteen hours of SPD work for reasonably effective representation. If one hundred cases were filed under this section in a fiscal year, representation would result in a need for an additional attorney. Because the number of cases that will be filed under this statute is unknown, the exact additional number of attorneys necessary is unknown. Each case would also result in unknown increased costs in the need for core staff, travel, and litigation expenses. However, if the charge was classified as a class D misdemeanor no jail time would be authorized and the cases would not qualify for SPD representation.

Oversight assumes this proposal will create a minimal number of new cases and that the SPD can absorb the additional caseload required by this proposal with current staff and resources. Therefore, Oversight will reflect no fiscal impact to the SPD for fiscal note purposes. However, if multiple bills pass which require additional staffing and duties, the SPD may request funding through the appropriation process.

In response to similar legislation, HCS for HB 794, the **City of O'Fallon** assumed the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other cities, counties and school districts were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

§§130.170, 130.173, 130.176, 130.179, 130.185 & 130.188 – Foreign Spending in State Ballot Measure Elections

Officials from the **Office of the Secretary of State** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to similar legislation, SS for SB 152 (2025), officials from the **Missouri Office of Prosecution Services** assumed the proposal will have no fiscal impact on their respective organizations.

In response to similar legislation, SS for SB 152 (2025), officials from the **Attorney General's Office (AGO)** assumed any litigation costs arising from this proposal can be absorbed with existing resources. However, the AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation.

Oversight notes that the above mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

Responses regarding the proposed legislation as a whole

Officials from the **Missouri Ethics**, the **Office of the Secretary of State**, **Missouri Department of Agriculture**, the **Office of Administration - Administrative Hearing Commission**, the **Department of Commerce and Insurance**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education and Workforce Development**, the **Office of Administration**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Labor and Industrial Relations**, the **Department of Revenue**, the **Department of Social Services**, the **Office of the Governor**, the **Office of the Lieutenant Governor**, the **Missouri Department of Transportation**, the **MoDOT & Patrol Employees' Retirement System**, the **Department of Public Safety (Director's Office, Division of Alcohol and Tobacco Control, Capitol Police, Missouri Gaming Commission, Fire Safety and Missouri Highway Patrol)**, the **University of Missouri System**, the **Missouri Department of Conservation**, the **Missouri National Guard**, the **Office of the State Auditor**, the **Missouri House of Representatives**, the **Joint Committee on Administrative Rules**, the **Joint Committee on Public Employee Retirement**, the **Legislative Research**, the **Oversight Division**, the **Missouri Senate**, the **Missouri Lottery Commission**, the **Missouri Consolidated Health Care Plan**, the **Missouri State Employees Retirement System**, and the **State Tax**

Commission each assume the proposal will have no fiscal impact on their organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Officials from the **Platte County Board of Elections**, the **St. Louis County Board of Elections**, and the **City of Kansas City** each assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

In response to similar legislation, HCS for HB 794, officials from the **Joint Committee on Education, Missouri Office of Prosecution Services, Department of Public Safety - Missouri Veterans Commission, Department of Public Safety - State Emergency Management Agency**, and the **Office of the State Treasurer** each assumed any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Officials from the **Office of State Courts Administrator (OSCA)** state there may be some impact but there is no way to quantify that currently. Any significant changes will be reflected in future budget requests.

Oversight notes OSCA assumes this proposal may have some impact on their organization although it can't be quantified at this time. As OSCA is unable to provide additional information regarding the potential impact, Oversight assumes the proposed legislation will have a \$0 to (Unknown) cost to the General Revenue Fund. For fiscal note purposes, Oversight also assumes the impact will be under \$250,000 annually. If this assumption is incorrect, this would alter the fiscal impact as presented in this fiscal note. If additional information is received, Oversight will review it to determine if an updated fiscal note should be prepared and seek approval to publish a new fiscal note.

In response to similar legislation, HCS for HB 794, officials from the **Office of Attorney General (AGO)** assumed any potential litigation costs arising from this proposal can be absorbed with existing resources. The AGO may seek additional appropriations if the proposal results in a significant increase in litigation or investigation costs.

Oversight does not have any information to the contrary. Therefore, Oversight assumes the AGO will be able to perform any additional duties required by this proposal with current staff and resources and will reflect no fiscal impact to the AGO for fiscal note purposes.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE			
Costs – OSCA – increased caseload	\$0 or (Unknown)	\$0 or (Unknown)	\$0 or (Unknown)
<u>Costs – DOC - §115.1630</u>			
Personal Service	(\$40,665)	(\$49,286)	(\$49,779)
Fringe Benefits	(\$29,459)	(\$35,704)	(\$36,061)
Exp. & Equip.	(\$10,919)	(\$3,557)	(\$3,646)
<u>Total Costs - DOC</u>	<u>(\$81,043)</u>	<u>(\$88,547)</u>	<u>(\$89,486)</u>
FTE Change - DOC	1 FTE	1 FTE	1 FTE
ESTIMATED NET EFFECT ON GENERAL REVENUE	Could exceed <u>(\$81,043)</u>	Could exceed <u>(\$88,547)</u>	Could exceed <u>(\$89,486)</u>
Estimated Net FTE Change on General Revenue	1 FTE	1 FTE	1 FTE

<u>FISCAL IMPACT – Local Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
SCHOOL DISTRICT			
<u>Revenue – Potential fine revenue from violations of §115.1630</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICT	\$0 to <u>Unknown</u>	\$0 to <u>Unknown</u>	\$0 to <u>Unknown</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 provisions for elections and campaign finance.

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 Administration
Budget and Planning
Office of the Commissioner
Administrative Hearing Commission
Department of Corrections
Office of the State Public Defender
Department of Commerce and Insurance
Department of Economic Development
Department of Elementary and Secondary Education
Department of Higher Education and Workforce Development
Department of Health and Senior Services
Department of Mental Health
Department of Natural Resources
Department of Labor and Industrial Relations
Department of Revenue
Department of Public Safety
Division of Alcohol and Tobacco Control
Capitol Police
Fire Safety
Office of the Director
Missouri Gaming Commission
Missouri Highway Patrol
Missouri Veterans Commission
State Emergency Management Agency
Department of Social Services
Office of the Governor
Office of the Lieutenant Governor
Office of the State Courts Administrator
Missouri Department of Agriculture
Missouri Department of Conservation
Missouri Ethics Commission
Missouri Department of Transportation
Missouri National Guard
MoDOT & Patrol Employees' Retirement System
Petroleum Storage Tank Insurance Fund
Office of the Secretary of State
Office of the State Treasurer
University of Missouri System
Office of the State Auditor
Missouri House of Representatives
Joint Committee on Administrative Rules

L.R. No. 1095H.14C
Bill No. HCS for SS for SB 152
Page 9 of 9
April 28, 2025

Joint Committee on Education
Joint Committee on Public Employee Retirement
Legislative Research
Oversight Division
Missouri Senate
Missouri Lottery Commission
Missouri Consolidated Health Care Plan
Missouri State Employee's Retirement System
State Tax Commission
Kansas City
O'Fallon
Kansas City Election Board
Jackson County Election Board
Platte County Board of Elections
St. Louis City Board of Elections
St. Louis County Board of Elections
Attorney General's Office
Missouri Office of Prosecution Services
Office of the State Public Defender



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April 28, 2025



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