

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0494-02
Bill No.: HB 855
Subject: Elections; Political Parties
Type: Original
Date: February 28, 2017

Bill Summary: This proposal changes the law regarding primary elections.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
General Revenue	\$0	Up to (\$2,901,467)	\$0
Total Estimated Net Effect on General Revenue	\$0	Up to (\$2,901,467)	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
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 2018	FY 2019	FY 2020
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2018	FY 2019	FY 2020
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 2018	FY 2019	FY 2020
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the Secretary of State (SOS)** assume this proposal authorizes state political party organizations to adopt a closed primary system for elections. This will require significant amendments to the Missouri Centralized Voter Registration Database to allow for the electronic data field "Party Affiliation" to be added along with internal processing, data table linking, sorting, searching and reporting modifications. These changes would have an estimated one-time cost of \$700,000 for seven (7) technical resources paid \$100 dollars per hour for 1,000 hours each. Since the law would take effect on January 1, 2019, these expenses are assigned to FY 2019.

This proposal does not specify a system for registering voters by party. While new registrants can simply be asked to declare a party affiliation upon registration, currently-registered voters would also need to have their affiliation recorded. It is anticipated that this would involve at least one mailing to all currently-registered voters notifying them of the need to register a party affiliation. As of February 1, 2017, there are 4,140,687 registered voters in the state of Missouri. At a rate of \$0.49 per mailing, this would result in a cost of \$2,028,937 in FY 2019 to reach all current Missouri voters.

Voters who have been registered as party voters would also need to be identified with their chosen affiliation in the Missouri Centralized Voter Registration Database in order to be included on the party lists provided to local election authorities. The scope of this project will necessitate additional temporary labor to complete in time to satisfy other statutory deadlines. Based on the 4,140,687 registered voters in Missouri and an estimate of four (4) voters processed per minute per worker (240 per hour per worker), this computes to an approximate maximum of 17,253 person-hours of labor. Given a rate of \$10 per hour, this equates to up to \$172,530 in expenditures for temporary labor in FY 2019. We project a participation rate of 50-100% in FY 2019 for a temporary labor expense of \$86,265-\$172,530.

Officials from the **Kansas City Election Board** assume the fiscal impact of this proposal should be minimal.

Officials from **Buchanan County** assume this proposal could have a negative fiscal impact as registration cards will have to be revamped.

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

ASSUMPTION (continued)

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

Officials at the following counties: Andrew, Atchison, Boone, Camden, Carroll, Christian, Clay, Cole, Cooper, Daviess, Franklin, Knox, Marion, Miller, Montgomery, New Madrid, Phelps, Platte, and Wayne did not respond to **Oversight's** request for fiscal impact.

<u>FISCAL IMPACT - State Government</u>	FY 2018	FY 2019 (6 Mo.)	FY 2020
GENERAL REVENUE FUND			
<u>Cost</u> - SOS - one-time programming cost	\$0	(\$700,000)	\$0
<u>Cost</u> - SOS - mailings	\$0	Up to (\$2,028,937)	\$0
<u>Cost</u> - SOS - temporary labor	<u>\$0</u>	(\$86,265 to <u>\$172,530</u>)	<u>\$0</u>
ESTIMATED NET EFFECT ON THE GENERAL REVENUE FUND	<u>\$0</u>	Up to <u>(\$2,901,467)</u>	<u>\$0</u>
 <u>FISCAL IMPACT - Local Government</u>			
	FY 2018	FY 2019 (6 Mo.)	FY 2020
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

FISCAL DESCRIPTION

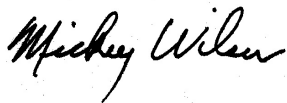
This bill allows established political parties to use a state funded, closed political primary system conducted by local election authorities. The local election authority will allow registration of voters as members of a particular political party and enforce time limits on registration or changing political parties as specified in the bill. If the state funded closed primary system is not employed, then political parties may submit candidates chosen by caucus or some other method paid for by the political party for a general election to the requisite election authority.

The bill has an 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
St. Louis County Board of Election Commission
Platte County Board of Elections
Kansas City Election Board
Buchanan County



Mickey Wilson, CPA
Director
February 28, 2017

Ross Strobe
Assistant Director
February 28, 2017