

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3907H.01I  
Bill No.: HB 2044  
Subject: Elections; County Officials  
Type: Original  
Date: January 18, 2022

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Bill Summary: This proposal creates no-excuse absentee voting.

**FISCAL SUMMARY**

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

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

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

Numbers within parentheses: () indicate costs or losses.

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

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

☒ 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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2023</b>	<b>FY 2024</b>	<b>FY 2025</b>
<b>Local Government</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

## 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 **Greene County Clerk's Office**, **Daviess County Clerk's Office**, **Platte County Board of Elections** and **St. Louis County Board of Elections** each 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
<b>GENERAL REVENUE FUND</b>			
<u>Cost</u> - SOS - returned ballot postage	Could exceed (\$250,000)	Could exceed (\$250,000)	Could exceed (\$250,000)
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>	<b>Could exceed <u>(\$250,000)</u></b>	<b>Could exceed <u>(\$250,000)</u></b>	<b>Could exceed <u>(\$250,000)</u></b>

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

#### 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 a properly registered voter to cast an absentee ballot without stating a reason.

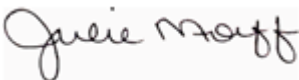
Individuals who are disabled or part of the Address Confidentiality Program may continue to note these conditions on Absentee Ballot Applications so that existing exemptions and protections will continue to apply to them.

Notary requirements are waived for those confined due to illness or physically disabled as specified in the bill.

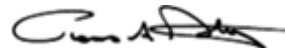
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

#### 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  
Greene County Clerk's Office  
Daviess County Clerk's Office



Julie Morff  
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January 18, 2022



Ross Strobe  
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