

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5635H.01I
 Bill No.: HB 2895
 Subject: Elections; Federal - State Relations
 Type: Original
 Date: March 19, 2024

Bill Summary: This proposal reinstates the Presidential Preference Primary.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	FY 2028
General Revenue*	\$0	\$0	\$0	(More than \$8,000,000)
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0	(More than \$8,000,000)

*Costs of approximately \$8 million in March 2028 (FY 2028) for holding a Presidential Preference Primary Election.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on Other State Funds	\$0	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2025	FY 2026	FY 2027	FY 2028
Total Estimated Net Effect on FTE	0	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 2025	FY 2026	FY 2027	FY 2028
Local Government	\$0	\$0	\$0	(Unknown)

FISCAL ANALYSIS

ASSUMPTION

Sections 115.105, 115.123, 115.351, 115.776, 115.904 – Reinstating the Presidential Preference Primary (PPP)

Officials from the **Office of the Secretary of State (SOS)** assume this bill would reinstate the presidential preference primary (PPP) election which was previously held in March of any presidential election year.

Oversight notes section 115.785 states all costs of a presidential preference primary shall be paid by the state and for any county with more than five hundred polling places, the state shall assist in assuring adequate poll workers and equipment. The payment of election costs is subject to appropriation by the General Assembly. However, if they assume that the presidential preference primary were to be fully appropriated as it has been in years past, SOS anticipates a cost of \$8 million. Oversight has reflected, in this fiscal note, an \$8 million cost due to reinstating the requirement to hold a PPP. The next scheduled Presidential Preference Primary election would be in March 2028 (FY28). As this election is scheduled for the first Tuesday in March, it may coincide with the municipal primary elections held by charter counties (scheduled for the Tuesday following the first Monday of March); in this case, proportional cost sharing may reduce the state's obligations for this election.

Therefore, Oversight will reflect a potential election cost for reimbursement to local political subdivisions in FY 2028.

In addition, **Office of the Secretary of State** states this bill would require the SOS to assist in assuring adequate poll workers and equipment for counties containing more than 500 polling places. For the most recent general election held in November 2022, no county claimed to operate more than 500 polling places. However, at least two counties did claim more than 500 precincts at that election, so there may be a potential cost if these counties were forced to open additional polling places. The scope of such potential cost is unknown.

Oversight notes there is no way to determine if particular counties will be operating more than 500 polling places. Therefore, Oversight will also reflect a \$0 to unknown cost to the state for the potential cost of poll workers and equipment for counties containing more than 500 polling places.

The **Office of the Secretary of State** also assumes 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.

Officials from the **Platte County Board of Elections** assume the cost to hold a Presidential Preference Primary in 2020 was \$84,155.70. The cost to hold a future Presidential Preference Primary should be near but probably higher than the 2020 amount.

Officials from the **St. Louis City Board of Elections** assume Cost of a citywide election is roughly \$500,000. While City of St. Louis, generally, elects municipal officers in odd numbered years, we had "special" general election 2022 (and we will have one this coming April), most LEAs across Missouri do have regular, even year, April General Municipal Elections. In odd years, we are tasked with having a March Primary followed by an April General, so I can speak from experience that this is an extremely difficult turnaround. More time between the PPP and the April General would be more palatable and lead to better run, more efficient elections.

Officials from the **Greene County Clerk's Office** assume SOS' costs for March 2020 was \$192,162. The total cost of the March 2020 election was \$266,341. As the State does not pay for machine rental, poll pad rental, and other portions of election costs, the County costs were approximately \$74,178 for the machine rental, poll pad rental, a portion of clerk salary, a portion of ballot supplies. With the updated increased costs since 2020, a presidential preference primary will cost the State approximately 326,346.17 of allowable costs.

Officials from the **St. Louis County Board of Elections** assumes the proposal will have no fiscal impact on their respective organization.

Oversight notes section 115.785 states all costs of a presidential preference primary shall be paid by the state and for any county with more than five hundred polling places, the state shall assist in assuring adequate poll workers and equipment. Therefore, the fiscal note will reflect the cost and reimbursement to local election authorities netting to zero.

Oversight will reflect an unknown cost to local election authorities for election expenses (machine rental, poll pad rental, a portion of clerk salary, and a portion of ballot supplies) not covered by state as mentioned above by the Greene County Clerk's Office.

Oversight only reflects the responses 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 listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

<u>FISCAL IMPACT – State Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	FY 2028
GENERAL REVENUE FUND				
<u>Cost - SOS §115.785</u> Reimbursement of local election authority election costs for PPP	\$0	\$0	\$0	(More than \$8,000,000)
<u>Cost – SOS §115.785</u> Additional poll workers and equipment	\$0	\$0	\$0	\$0 to (Unknown)
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	(More than \$8,000,000)

<u>FISCAL IMPACT – Local Government</u>	FY 2025 (10 Mo.)	FY 2026	FY 2027	FY 2028
LOCAL POLITICAL SUBDIVISIONS				
<u>Revenue Gain - Local Election Authorities - §115.785</u> reimbursement of election costs for PPP	\$0	\$0	\$0	More than \$8,000,000
<u>Cost - Local Election Authorities §115.785 - holding PPP election</u>	\$0	\$0	\$0	(More than \$8,000,000)
<u>Cost – Local Election Authorities</u> Election expenses not covered by State	\$0	\$0	\$0	(Unknown)
ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	(Unknown)

FISCAL IMPACT – Small Business

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

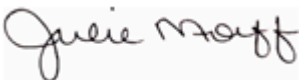
FISCAL DESCRIPTION

This act establishes a presidential preference primary election to be held on the second Tuesday after the first Monday in March of each year in which a presidential election is held.


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
Platte County Board of Elections
St. Louis City Board of Elections
St. Louis County Board of Elections
Greene County Clerk's Office



Julie Morff
Director
March 19, 2024



Ross Strobe
Assistant Director
March 19, 2024