

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1752H.04P
 Bill No.: Perfected HCS for HB 794
 Subject: Elections; County Officials
 Type: Original
 Date: March 27, 2025

Bill Summary: This proposal creates limitations on actions permitted by elections.

FISCAL SUMMARY

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

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

§115.1630 – Limitations on Actions by Election Authorities

In response to a previous version, officials from the **Office of Administration - Budget and Planning (BAP)** state 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 the previous version, 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 the previous version, officials from the **Missouri Department of Agriculture**, the **Office of Administration - Administrative Hearing Commission**, the **Department of Elementary and Secondary Education**, the **Department of Natural Resources**, the **Department of Public Safety (Division of Alcohol and Tobacco Control, Missouri Veterans Commission, Capitol Police, Missouri Gaming Commission, State Emergency Management Agency)**, the **Office of Administration**, the **University of Missouri System**, the **Missouri Department of Conservation**, the **Missouri National Guard**, the **Office of the State Treasurer**, **Office of the State Courts Administrator**, the **Office of the State Auditor**, the **Joint Committee on Education**, the **Petroleum Storage Tank Insurance Fund**, the **Missouri State Employee's Retirement System**, **Kansas City**, the **Platte County Board of Elections**, the **Jackson County Election Board**, the **St. Louis City Board of Elections**, **City of Osceola** and the **St. Louis County Board of Elections** each 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.

In response to a previous version, 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.

House Amendment #1

Oversight assumes this amendment is a titling change and will have no fiscal impact.

House Amendment #2 - §§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 the **Jackson County Election Board**, and the **St. Louis City Board of Elections** each 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.

House Amendment #3 - §§130.170, 130.173, 130.176, 130.179, 130.185 & 130.188 – Foreign Spending in State Ballot Measure Elections

In response to similar legislation, SS for SB 152 (2025), officials from the **Missouri Ethics Commission**, the **Office of the Secretary of State**, the **Missouri House of Representatives**, **Missouri Office of Prosecution Services**, and the **Missouri Senate** each 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.

Officials from the **Office of the State Courts Administrator** did not respond to **Oversight's** request for fiscal impact for this proposal.

Responses regarding the proposed legislation as a whole, as amended

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.

All other Amendments are no impact.

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 Attorney General (AGO)** assume 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.

Officials from the **Department of Commerce and Insurance**, the **Department of Economic Development**, **Department of Higher Education and Workforce Development**, the **Department of Health and Senior Services**, the **Department of Mental Health**, the **Department of Natural Resources**, **Department of Labor and Industrial Relations**, the **Department of Public Safety (Fire Safety, Office of the Director, Missouri Highway Patrol)**, the **Department of Revenue**, **Office of the Governor**, **Missouri Ethics Commission**, the **Missouri Department of Transportation**, the **Department of Social Services**, the **MoDOT & Patrol Employees' Retirement System**, **Office of the Secretary of State**, **Office of the Lieutenant Governor**, the **Joint Committee on Administrative Rules**, the **Joint Committee on Public Employee Retirement**, the **Missouri House of Representatives**, **Legislative Research**, the **Oversight Division**, the **St. Louis County Board of Elections**, **Kansas City Election Board**, **Platte County Board of Elections**, the **Missouri Lottery Commission**, the **Missouri State Employee's Retirement System**, the **Missouri Consolidated Health Care Plan**, the **Missouri Senate**, **Missouri Office of Prosecution Services**, and the **State Tax Commission** each assume 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.

<u>FISCAL IMPACT – State Government</u>	FY 2026 (10 Mo.)	FY 2027	FY 2028
GENERAL REVENUE			
<u>Costs – DOC p. 6</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	<u>(\$81,043)</u>	<u>(\$88,547)</u>	<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 FUNDS			
<u>Revenue</u> – Potential fine revenue from violations of §115.1630 p. 3	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>
ESTIMATED NET EFFECT ON SCHOOL DISTRICT FUNDS	<u>\$0 to Unknown</u>	<u>\$0 to Unknown</u>	<u>\$0 to 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 bill defines "election administration" to include any function directly related to the administration of elections, including voter registration, election security, ballot processing, and election official training. The definition also states that it does not include any post-election canvass, recount, contest, or audit processes.

The bill prohibits any government entity from soliciting, accepting, or using any funds or in-kind goods or services for election administration, unless the funds or in-kind goods or services are of de minimis value or provided by another government entity.

The bill states that the government entities must not be members of or participate in programs run by organizations that engage in election administration and receive foreign funding. Further, it prohibits any government entity or election officer from joining the membership of any entity, participating in any program, or purchasing services from any entity, unless the entity complies with certain certification requirements, as provided in the bill. The restrictions do not apply to memberships in professional organizations or memberships of individuals in a private capacity, unrelated to election administration.

If an election officer joins the membership of such an entity in his or her private capacity, the officer has a duty to disclose that information. The information required to be included in and the requirements for publication of the disclosure are provided in the bill.

A violation of this section will be a class B misdemeanor that is enforceable only if a government entity knowingly accepts foreign-influenced funds for election administration.

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
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
Joint Committee on Education
Joint Committee on Public Employee Retirement
Legislative Research

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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



Julie Morff
Director
March 27, 2025



Jessica Harris
Assistant Director
March 27, 2025