

MISSOURI STATE AUDITOR'S OFFICE FISCAL NOTE (10-18)

Subject

Initiative petition from Matt Cologna regarding a proposed constitutional amendment to Article VIII, version 1. (Received December 17, 2010)

Date

January 6, 2011

Description

This proposal would amend Article VIII of the Missouri Constitution.

The amendment is to be voted on in November, 2012.

Public comments and other input

The State Auditor's office requested input from the **Attorney General's office**, the **Department of Agriculture**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education**, the **Department of Health and Senior Services**, the **Department of Insurance**, **Financial Institutions and Professional Registration**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Revenue**, the **Department of Public Safety**, the **Department of Social Services**, the **Governor's office**, the **Missouri House of Representatives**, the **Department of Conservation**, the **Department of Transportation**, the **Office of Administration**, the **Office of State Courts Administrator**, the **Missouri Senate**, the **Secretary of State's office**, the **Office of the State Public Defender**, the **State Treasurer's office**, **Adair County**, **Boone County**, **Callaway County**, **Cass County**, **Clay County**, **Cole County**, **Greene County**, **Jackson County Legislators**, **Jasper County**, **St. Charles County**, **St. Louis County**, **Taney County**, the **City of Kansas City**, the **City of St. Joseph**, the **City of St. Louis**, **Cape Girardeau 63 School District**, **Hannibal 60 School District**, **Rockwood R-VI School District**, **Linn State Technical College**, **Metropolitan Community College**, **University of Missouri**, **St. Louis Community College**, **St. Louis County Election Board**, **St. Louis City Election Board**, **Kansas City Election Board**, **Platte County Board of Elections**, **Jackson County Election Board**, and **Clay County Election Board**.

Assumptions

Officials from the **Attorney General's office** indicated that they assume that the implementation of this proposal creates no fiscal impact. However, they assume that

because this proposal has the potential to be the subject of state litigation, potential costs are unknown.

Officials from the **Department of Economic Development** indicated this proposal will not have any fiscal impact on their department.

Officials from the **Department of Higher Education** indicated that the proposal contained in this initiative petition would have no direct, foreseeable fiscal impact on their department.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** indicated that this petition, if passed, will have no cost or savings to their department.

Officials from the **Department of Mental Health** indicated this proposed initiative petition should have no fiscal impact to their department.

Officials from the **Department of Natural Resources** indicated they would not anticipate a direct fiscal impact from this initiative petition.

Officials from the **Department of Revenue** indicated this initiative petition will have no fiscal impact on their department.

Officials from the **Department of Social Services** indicated there will be no fiscal impact to their department.

Officials from **Department of Conservation** indicated no adverse fiscal impact to their department would be expected as a result of this proposal.

Officials from the **Office of Administration (OA)** indicated this proposal will have no fiscal impact on their department. Budget and Planning defers to the Secretary of State for any statewide costs.

They provided the following Technical Notes:

1. There are numerous sections in the Missouri Constitution that relate to voting which the amendment does not change. It is unclear the effects the petition may have on those sections.
2. Section 115.639.1 RSMo, requires employers to provide employees three hours away from their employment between the opening and closing of polls for the purpose of voting. However, if this section were repealed or is deemed unnecessary, there would be an estimated statewide savings of \$26,481 to \$54,106 per election.

$$\$32,592/2,080 = \$17.28 \times 1,690 = \$26,481$$

$\$32,592/2,080 = \$17.28 \times 3,453 = \$54,106$
\$32,592 average state employee salary (uniform classification and pay positions)
2,080 annual hours (to convert to hourly wage rate)
3,453 state employee voting leave with pay hours during the 2008 general election
1,690 state employee voting leave with pay hours during the 2010 general election

Officials from the **Office of State Courts Administrator** indicated there is no cost to the courts for this initiative petition.

Officials from the **Secretary of State's office** indicated their office is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. The Secretary of State's office is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. Funding for this item is adjusted each year depending upon the election cycle with \$1.3 million historically appropriated in odd numbered fiscal years and \$100,000 appropriated in even numbered fiscal years to meet these requirements. The appropriation has historically been an estimated appropriation because the final cost is dependent upon the number of ballot measures approved by the General Assembly and the initiative petitions certified for the ballot. In fiscal year 2011, at the August and November elections, there were 6 statewide Constitutional Amendments or ballot propositions that cost \$1.02 million to publish (an average of \$170,000 per issue). Therefore, the Secretary of State's office assumes, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements.

Officials from the **Office of the State Public Defender** indicated this initiative petition will not have any significant impact on their office.

Officials from the **State Treasurer's office** indicated there is no direct fiscal impact to their office. Please defer to Office of Administration and Department of Revenue.

Officials from **Adair County** indicated that they estimate the additional cost to establish a central vote early location and comply with Sections 9, 10 and 11 in their county would be a minimum of \$10,700 for each election that qualified for the early voting. They said this amount is only an estimate and they anticipate the cost could be significantly higher if the central vote early location could not be housed in a county facility. In addition, they estimated the cost to comply with Sections 9, 10 and 11 for elections that do not qualify for early voting would cost a minimum of \$2000 per election.

The officials said passage of this petition will not only increase costs, but add to the work load of the election authority of their county.

Officials from **St. Charles County** indicated they estimate their cost for this proposal to result in a cost of \$334,600 for the first election held and \$289,600 for each subsequent election held under this proposal.

FIRST ELECTION

Additional site locations rent:	\$ 28,800.00
Judges:	\$100,000.00
Van rental/workers to Deliver ballots:	\$ 8,800.00
Computers:	\$ 15,000.00
Software programming to provide on site lists for voters wanting to know who has already voted in advance. 115.276.1 Sub Section 10, including Election Authority staff time:	\$ 20,000.00
Internet:	\$ 2,000.00
Ballots:	\$147,000.00
Secure Storage at satellite sites:	\$ 10,000.00
Saturday & Sunday Overtime:	\$ 3,000.00
TOTAL:	\$334,600.00

EACH ADDITIONAL ELECTION

TOTAL:	\$289,600.00
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Officials from **Linn State Technical College** indicated that based on the information presented, there appears to be no fiscal impact to their college.

Officials from **Metropolitan Community College** indicated this petition would have no fiscal impact on their college.

Officials from the **Platte County Board of Elections** indicated their local government estimates the fiscal impact of the above-referenced bill for fiscal years 2012, 2013 and 2014 to be as follows:

Revenues: (explain amount per fiscal year and source or reason for increase)

None

Savings: (explain amount per fiscal year, reason for savings and area where savings will occur)

None

Costs:(explain what type of costs will be incurred, amount per fiscal year and reason)

Office/Central Location Expenses:

4 Election Judges @ \$100/each/per day X 20 days of advance voting period	\$8,000
1 Touch Screen Tech @ \$100/day X 20 days advance voting period	\$2,000
FICA (7.65% x salaries)	\$459
Workers Comp Ins.	\$200
Optical Scan Ballots 10,000 x \$.30/each	\$3,000
Shipping	\$ 100
Provisional Ballots 200 x \$.30/ each	\$ 60
Shipping (included in optical scan above)	
Sub-Total for one election	\$13,819

Satellite Location Expenses

4 Election Judges @ \$100/each/day x 20 days	\$8,000
1 TS Tech @ \$100/day	\$2,000
FICA (7.65% x salaries)	\$ 459
Workers Compensation Insurance	\$ 200
Optical Scan Ballots 5000 x \$.30/each	\$1500
Shipping	\$ 100
Provisional Ballots 200 x \$.30/each	\$ 60
Shipping (included in Opt. Scan shipping above)	
Office/location rent and CAM fees for one month	\$7000
Utilities for one month	\$ 450
Telephone setup/monthly fee	\$ 275
DSL Line setup/monthly fee	\$ 325
Sub-Total for Satellite location for one election	\$20,369

One-Time Expenses:	
Workstation & Monitor	\$3000
Printer	\$ 500
Cables	\$ 100
Sub-Total for Satellite location one-time expenses	\$3600
Total per federal/state elections	\$41,388.00

LOSSES:(explain why revenue losses would be expected and amount per fiscal year)

None

Officials from the **Jackson County Election Board** indicated

Oversight of Advanced Voting would require at least one person to coordinate all aspects of the operation.

Annual Cost for Coordinator:	\$35,000.00
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Other related 1 (one) time cost:	
6 Additional Precinct Ballot Counters	\$59,100.00
60 Additional Voting Booths	\$15,000.00
6 Laptop Computers	<u>\$ 5,400.00</u>
Total one time cost:	\$79,500.00

COST PER ELECTION:

Jackson County Election Board had 234,109 registered voters. Based on the formula of 1 satellite site per 50,000 voters, board officials estimated they would have to use 6 locations due to the logistics of the jurisdiction to ensure nondiscrimination in the representation of registered voters.

Site Rental based on current real estate rates:	
6 locations	\$63,000.00
Internet Cable Connection to Missouri	
Central Voter Registration Data Base:	
6 locations	\$ 1,800.00
Misc. Supplies and expenses	\$ 5,000.00
Election Services Fund	\$ 9,623.00
Ballot Printing	\$ 1,000.00
Ballots	<u>\$12,903.00</u>
Total	<u>\$93,326.00</u>
Legal Public Notice	\$20,735.00

Election Judges for 6 locations 20 days	\$92,460.00
Election Assistant/Technician 6 locations 20 days	<u>\$18,210.00</u>
Total	<u>\$110,670.00</u>
ONE TIME COST	\$ 79,500.00
ONGOING COST	\$ 35,000.00
GRAND TOTAL FOR ONE ELECTION	\$224,731.00
GRAND TOTAL FOR ALL 3 COUNTY-WIDE ELECTIONS	\$674,193.00

The **State Auditor's office** assumes a total of 48 satellite voting sites will be required in 17 affected election authorities.

One-time estimated costs:

\$676,800 for local election authorities to equip the satellite locations at \$14,100 per satellite

On-going estimated costs (for each federal general election):

\$235,008 for 4 election judges at each of the satellite locations for 136 hours per judge at \$9 per hour.

\$60,480 for maintenance of the satellite locations, including rent, utilities, and broadband Internet service at \$1,260 per satellite

\$283,968 for 2 election judges at each central vote early location (114 counties plus the City of St. Louis and Kansas City) for 136 hours per judge at \$9 per hour

Total estimated local government costs:

\$676,800 one-time + \$579,456 on-going (for each federal general election) = \$1,256,256

These costs will fluctuate depending on the compensation, staffing and planning decisions of election authorities.

The State Auditor's office did not receive a response from the **Department of Agriculture**, the **Department of Elementary and Secondary Education**, the **Department of Health and Senior Services**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Public Safety**, the **Governor's office**, the **Missouri House of Representatives**, the **Department of Transportation**, the **Missouri Senate**, **Boone County**, **Callaway County**, **Cass County**, **Clay County**, **Cole County**, **Greene County**, **Jackson County Legislators**, **Jasper County**, **St. Louis County**, **Taney County**, the **City of Kansas City**, the **City of St. Joseph**, the **City of St. Louis**, **Cape Girardeau 63 School District**, **Hannibal 60 School District**, **Rockwood R-VI School District**, **University of Missouri**, **St. Louis**

Community College, St. Louis County Election Board, St. Louis City Election Board, Kansas City Election Board, and Clay County Election Board.

Fiscal Note Summary

It is estimated state government entities would incur unknown potential litigation costs and local governments would incur costs of at least \$1,256,256 (one-time costs of \$676,800 and on-going costs for each federal election of \$579,456). Those costs may fluctuate depending on the compensation, staffing and planning decisions of election authorities.