

**MISSOURI STATE AUDITOR'S OFFICE
FISCAL NOTE (18-149)**

Subject

Initiative petition from Winston Apple regarding a proposed constitutional amendment to Article VIII. (Received February 1, 2017)

Date

February 21, 2017

Description

This proposal would amend Article VIII of the Missouri Constitution.

The amendment is to be voted on in November 2018.

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**, **Jasper County**, **St. Charles County**, **St. Louis County**, **Taney County**, the **City of Cape Girardeau**, the **City of Columbia**, the **City of Jefferson**, the **City of Joplin**, the **City of Kansas City**, the **City of Kirksville**, the **City of Mexico**, the **City of Raymore**, the **City of St. Joseph**, the **City of St. Louis**, the **City of Springfield**, the **City of Union**, the **City of Wentzville**, the **City of West Plains**, **Cape Girardeau 63 School District**, **Hannibal 60 School District**, **State Technical College of Missouri**, **Metropolitan Community College**, **University of Missouri**, **St. Louis Community College**, the **St. Louis County Board of Elections**, the **Board of Election Commissioners City of St. Louis**, the **Kansas City Board of Election Commissioners**, the **Platte County Board of Elections**, the **Jackson County Election Board**, the **Clay County Board of Election Commissioners**.

Assumptions

Officials from the **Attorney General's office** indicated they expect that, to the extent that the enactment of this proposal would result in increased litigation, they can absorb the costs associated with that increased litigation using existing resources. However, if the enactment of this proposal were to result in substantial additional litigation, they may request additional appropriations.

Officials from the **Department of Agriculture** indicated no fiscal impact on their department.

Officials from the **Department of Economic Development** indicated no impact to their department.

Officials from the **Department of Higher Education** indicated this initiative petition would not have a fiscal impact on their department.

Officials from the **Department of Health and Senior Services** indicated no 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 proposal creates no direct obligations or requirements to their department that would result in a fiscal impact.

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

Officials from the **Department of Corrections** indicated no fiscal impact.

Officials from the **Department of Labor and Industrial Relations** indicated no fiscal impact on their department.

Officials from the **Department of Revenue** indicated this legislation will not have a fiscal impact on their department.

Officials from the **Department of Public Safety - Office of the Director** indicated they see no fiscal impact due to this petition.

Officials from the **Department of Social Services** indicated no fiscal impact on their department.

Officials from the **Governor's office** indicated there should be no added costs or savings to their office.

Officials from the **House of Representatives** indicated no fiscal impact to their agency.

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 amends Article VIII of the MO Constitution by adding Section 24. The new section would create a ranked-choice system for election of the offices of US Senator, Governor, Lt. Governor, Secretary of State, Attorney General, State Treasurer, and State Auditor. Voters would be allowed to rank up to five candidates for an office in order of preference. The Secretary of State is responsible for tabulating the votes according to the specified method.

This should not impact their office.

Officials from the **Office of State Courts Administrator** indicated there is no fiscal impact on the courts.

Officials from the **Missouri Senate** indicated no fiscal impact on their office.

Officials from the **Secretary of State's office** indicated petition 2018-149 would institute a policy of ranked-choice voting to elect United States Senators and all statewide officers. This would require all voting machines statewide to either be coded to accept ranked-choice voting (which may require reprogramming) or to be replaced with new machines which do allow ranked-choice voting.

As of the 2013 voting systems survey conducted by the Secretary of State's Office, local election authorities reported that they possessed 8,711 voting machines. The estimated cost for each new voting machine is \$5,000. The total cost to the state will vary depending on the number of machines which are ready to accept ranked-choice votes or can be reprogrammed to do so. However, using total replacement of all machines as a maximum cost, ranked-choice voting may result in a total impact to general revenue ranging from \$0 up to \$43,555,000.

Additionally, 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. Their 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. Through FY (fiscal year) 2013, the appropriation had 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 FY 2015, the General Assembly changed the appropriation so that it was no longer an estimated appropriation. In FY 2017 their office was appropriated \$2.6 million to publish

the full text of the measures. In FY 2017, at the August and November elections, there were 6 statewide Constitutional Amendments or ballot propositions that cost \$2.4 million to publish (an average of \$400,000 per issue). Their office will continue to assume, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. Because these requirements are mandatory, they reserve the right to request funding to meet the cost of their publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

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 this proposal would have no fiscal impact on their office.

Officials from **Greene County** indicated it is anticipated that printing costs for a November General Election ballot will double to allow for the ranked voting on the ballot. In the November 2016 election, the ballot printing costs were \$103,457.25 and so the new ballot printing costs would be estimated to be twice that at \$206,914.50.

In addition, a new precinct counter would need to be purchased that would be programmed to count ranked voting ballots. This is anticipated to be approximately \$50,000 which would be a one-time cost.

Officials from the **City of Kansas City** indicated this petition would have no fiscal impact on their city.

Officials from the **City of Raymore** indicated no fiscal impact.

Officials from the **Kansas City Board of Election Commissioners** indicated they currently don't have a tabulation system that can do ranked choices. They anticipate having a new system in place in the fall of 2018. This cost of this new system will be between \$1.5 to \$2 million.

Officials from the **Platte County Election Board** indicated they anticipate no fiscal impact.

John G. Martin, Clerk to the County Commission, Crawford County, Missouri submitted the following information:

Regarding the petition for a proposed amendment to Article VIII (2018-149) of the Missouri State Constitution, the opinion of the local election authority in Crawford County, Missouri, is that so-called Ranked-Choice Voting is neither in the best interest of the citizens of Crawford County, nor of the State of Missouri as a whole.

As proposed, this method would significantly increase the financial burden of our already-bankrupt county through higher ballot, programming, and machine-purchase costs. In the case of Crawford County, ballots and programming costs would rise to over \$30,000.00, and purchase of additional machines to expedite counting would add another \$15,000.00, at the very least.

If forced upon the counties, this method would also lengthen the wait time for results, meaning that a winner could not be announced on election night, as currently happens. Extra time required to “weed out” candidates who do not receive enough votes to move on to the next “round of voting” will require several days of extra work, as well as additional funds spent to pay for staff and election judges. These costs become larger with each subsequent “round of voting” that may be required.

The idea that this can be accomplished and still have a ballot that is “simple and easy to understand” is asinine. Experience tells us that voters generally do not read or follow directions when ballots and voting methods are changed; they tend to vote the way they always have. For example, it does not matter if the directions are to “draw a straight line,” “fill in the oval,” or whatever else happens to be in vogue at the time, there will always be those who will place a checkmark next to a name, circle a name, cross out names of those they do not wish to elect, etc. There is nothing in this proposal that is either simple or easy to understand.

The State Auditor's office did not receive a response from the **Department of Elementary and Secondary Education, the Department of Transportation, Adair County, Boone County, Callaway County, Cass County, Clay County, Cole County, Jackson County, Jasper County, St. Charles County, St. Louis County, Taney County, the City of Cape Girardeau, the City of Columbia, the City of Jefferson, the City of Joplin, the City of Kirksville, the City of Mexico, the City of St. Joseph, the City of St. Louis, the City of Springfield, the City of Union, the City of Wentzville, the City of West Plains, Cape Girardeau 63 School District, Hannibal 60 School District, State Technical College of Missouri, Metropolitan Community College, University of Missouri, St. Louis Community College, the St. Louis County Board of Elections, the Board of Election Commissioners City of St. Louis, the Jackson County Election Board, the Clay County Board of Election Commissioners.**

Fiscal Note Summary

This proposal could result in necessary voting machine replacements statewide at an estimated unknown cost up to \$43.5 million. Some local election authorities estimate ballot and programming costs.