

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5220-01
Bill No.: HJR 60
Subject: Constitutional Amendments; General Assembly
Type: Original
Date: March 28, 2012

Bill Summary: This proposal reduces the number of members of the House of Representatives to 120 and increasing the number of members of the Senate to 40.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	\$0 or (More than \$7,000,000)	\$0	\$594,163
Total Estimated Net Effect on General Revenue Fund	\$0 or (More than \$7,000,000)	\$0	\$594,163

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Total Estimated Net Effect on FTE	0	0	0

- Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).
- Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the Secretary of State (SOS)** assume unless a special election is called for the purpose, joint resolutions are submitted to a vote of the people at the next general election. If a special election is called to submit a joint resolution to a vote of the people, section 115.063.2 RSMo requires the state to pay the costs. Article III section 52(b) of the Missouri Constitution authorizes the General Assembly to order a special election for measures referred to the people and Article XII section 2(b) authorizes the Governor to call a special election to submit constitutional amendments to a vote of the people.

The SOS 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 FY 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. However, because these requirements are mandatory, we reserve the right to request funding to meet the cost of our publishing requirements if the Governor and the General Assembly change the amount or eliminate the estimated nature of our appropriation.

Oversight has reflected in this fiscal note, the state potentially reimbursing local political subdivisions the cost of having this joint resolution voted on during a special election in fiscal year 2013. This reflects the decision made by the Joint Committee on Legislative Research, that the cost of the elections should be shown in the fiscal note. The next scheduled general election is in November 2012 (FY 2013). It is assumed the subject within this proposal could be on that ballot; however, it could also be on a special election called for by the Governor. Therefore, Oversight will reflect a potential election cost reimbursement to local political subdivisions in FY 2013.

ASSUMPTION (continued)

To estimate the expense the state would incur for reimbursing local political subdivisions for a special election, Oversight requested expense estimates from all election authorities for an election. Eighty-six out of the one hundred fifteen election authorities responded to Oversight's request. From these respondents; the total election expense that would have to be reimbursed by the state government is over \$7 million. Therefore, Oversight will reflect a potential cost borne by the state in FY 2013 of over \$7 million for reimbursement to the local political subdivisions. Oversight assumes the Governor could call for a special election to be held prior to November 2012 regarding this joint resolution; however, if a special election is not called, the subject will be voted on at the general election in November, 2012.

Officials from the **Missouri House of Representatives** estimate the impact of legislation will first be realized at the start of the 98th General Assembly or January of calendar and fiscal year 2015. FY 2015 impact would be from January to June so salary and expense account savings are halved. There will be 43 less House Members with the following cost associated with each: (1) Member salary \$35,915, (2) Member staff salary of \$25,000, (3) Member expense account annual maximum of \$8,000 and (4) Member Session milage and per diem cost of \$1,933.25 and \$7,280 respectively (assuming 70 day, 19 week sessions, a \$.37 per mile reimbursement rate, a \$104 per diem and average miles per week per Member of 275). Total savings : \$1,886,443.

Officials from the **Missouri Senate** assume six new Senators will join the Missouri Senate effective January 2015. This includes related cost for attending session based on current rates for per diem and mileage, salaries based on current rates, and 2 FTE's for staff based on current annual allotments provided to each Senator for operating their respective offices.

(6) New Senators @ \$35,915 =	\$215,490
(12) Senator's Staff @ \$41,406 =	\$496,872
Fringe Benefits=	\$377,124
Per Diem (6) @ \$104/ day/ 69 days =	\$43,056
Mileage (6) @ \$108/ week/ 18 weeks=	\$11,664
Office Allotments (6) @ (107,491-82,812)	<u>\$148,074</u>
Total Estimated Annual Cost =	\$1,292,280

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
GENERAL REVENUE			
<u>Savings</u> - Reducing number of Missouri House of Representatives members	\$0	\$0	<u>\$1,886,443</u>
FTE Change - Missouri House of Representatives			(129 FTE)
<u>Cost</u> - Missouri Senate			
Personal Service	\$0	\$0	(\$712,362)
Fringe Benefits	\$0	\$0	(\$377,124)
Equipment and Expense	\$0	\$0	<u>(\$202,794)</u>
<u>Total Cost</u> - Missouri Senate	\$0	\$0	<u>(\$1,292,280)</u>
FTE Change - Missouri Senate			18 FTE
<u>Transfer Out</u> - Reimbursement of local election authorities for election costs	\$0 or (More than <u>\$7,000,000</u>)	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	\$0 or (More than <u>\$7,000,000</u>)	<u>\$0</u>	<u>\$594,163</u>
Estimated Net FTE Change for General Revenue Fund			(111 FTE)

<u>FISCAL IMPACT - Local Government</u>	<u>FY 2013</u> <u>(10 Mo.)</u>	<u>FY 2014</u>	<u>FY 2015</u>
LOCAL ELECTION AUTHORITIES			
<u>Transfer In</u> - Cost reimbursement from the State for election	\$0 or More than \$7,000,000	\$0	\$0
<u>Expense</u> - Cost for election	\$0 or (More than \$7,000,000)	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO LOCAL ELECTION AUTHORITIES	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

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

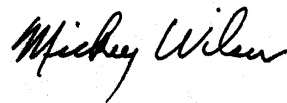
FISCAL DESCRIPTION

Upon voter approval, this proposed constitutional amendment reduces the number of members of the Missouri House of Representatives from 163 to 120 and increases the number of members of the Missouri Senate from 34 to 40 beginning with the 98th General Assembly in 2015.

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
Missouri House of Representatives
Missouri Senate



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