

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5371-01
Bill No.: SJR 32
Subject: General Assembly; Constitutional Amendments
Type: Original
Date: January 21, 2016

Bill Summary: This proposal changes the date for final passage of bills in a regular session of the General Assembly.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
General Revenue	\$0 or (More than \$6,959,741)	\$0 or \$140,259	\$0 or \$140,259
Total Estimated Net Effect on General Revenue	\$0 or (More than \$6,959,741)	\$0 or \$140,259	\$0 or \$140,259

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
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 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government*	\$0	\$0	\$0

* Potential expenses and reimbursements netting to zero if a special election is called for by the Governor.

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the Secretary of State (SOS)** assume each year, a number of joint resolutions that would refer to a vote of the people a constitutional amendment and bills that would refer to a vote of the people the statutory issue in the legislation may be considered by the General Assembly.

Unless a special election is called for the purpose, a joint resolutions proposing a constitutional amendment is submitted to a vote of the people at the next general election. Article XII section 2(b) of the Missouri Constitution authorizes the Governor to order a special election for constitutional amendments referred to the people. If a special election is called to submit a Joint Resolution to a vote of the people, sub-section 115.063.2, RSMo, requires the state to pay the costs. The cost of the special election has been estimated to be \$7.1 million based on the cost of the 2012 Presidential Preference Primary. This figure was determined through analyzing and totaling expense reports from the 2012 Presidential Preference Primary received from local election authorities.

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 sections 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 2013, at the August and November elections, there were 5 statewide Constitutional Amendments or ballot propositions that cost \$2.17 million to publish (an average of \$434,000 per issue).

In FY 2015, the General Assembly changed the appropriation so that it was no longer an estimated appropriation and the Secretary of State's Office was appropriated \$1.19 million to publish the full text of the measures. Due to this reduced funding, the Secretary of State's office reduced the scope of the publication of these measures.

ASSUMPTION (continued)

In FY 2015, at the August and November elections, there were 9 statewide Constitutional Amendments or ballot propositions that cost \$1.1 million to publish (an average of \$122,000 per issue).

Despite the FY 2015 reduction, the Secretary of State's 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, we reserve the right to request funding to meet the cost of our publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated 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 2017. This reflects the decision made by the Joint Committee on Legislative Research, that the potential cost of elections should be reflected in the fiscal note. The next scheduled statewide primary election is in August 2016, and the next scheduled general election is in November 2016 (FY 2017). It is assumed the subject within this proposal could be on one of these ballots; 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 2017.

Officials from the **Missouri Senate (SEN)** assume this proposal would save an estimated \$32,658 per year ($\$19,040 + \$3,457.28 + \$4,877.50 + \$5,283.60$).

Per Diem = 5 days (one week of session) x \$112 per day = \$560 x 34 (number of senators) = \$19,040

Mileage (estimate using May 2015) = \$3,457.28

Doorkeepers (5 days) = \$4,877.50

Support Staff (5 days) = \$5,283.60

Officials from the **Missouri House of Representatives (MHR)** assume this proposal would end session one week earlier, resulting in a cost savings of \$107,601.

Mileage (5 days) = $44,410 \times 0.37 = \$16,321$

Per Diem = 163 (number of representatives) x 5 days (one week of session) x \$112 = \$91,280

ASSUMPTION (continued)

Officials from the **Attorney General's Office** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Governor's Office, Lieutenant Governor's Office, Joint Committee on Administrative Rules** and **Office of Administration** each assume the proposal will have no fiscal impact on their respective organizations.

Oversight will range the fiscal impact of this proposal from \$0 (rejected by voters) to a savings of \$140,259 (accepted by voters) per fiscal year.

<u>FISCAL IMPACT - State Government</u>	FY 2017	FY 2018	FY 2019
GENERAL REVENUE			
<u>Savings - MHR</u> One less week of session	\$0 or \$107,601	\$0 or \$107,601	\$0 or \$107,601
<u>Savings - SEN</u> One less week of session	\$0 or \$32,658	\$0 or \$32,658	\$0 or \$32,658
<u>Transfer Out - Office of the Secretary of State - reimbursement of local election authorities for election costs if a special election is called</u>	\$0 or (More than <u>\$7,100,000</u>)	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	\$0 or (More than <u>\$6,959,741</u>)	<u>\$0 or \$140,259</u>	<u>\$0 or \$140,259</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2017	FY 2018	FY 2019
LOCAL ELECTION AUTHORITIES			
<u>Transfer In</u> - Cost reimbursement from the State for special election	\$0 or More than \$7,100,000	\$0	\$0
<u>Expense</u> - Cost for special election	\$0 or (More than \$7,100,000)	<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.

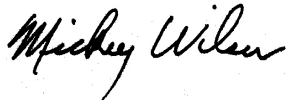
FISCAL DESCRIPTION

Changes the date for final passage of bills in a regular session of the General Assembly.

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 Secretary of State
Joint Committee on Administrative Rules
Governor's Office
Missouri Senate
Missouri House of Representatives
Office of Administration
Lieutenant Governor's Office
Attorney General's Office



Mickey Wilson, CPA
Director
January 21, 2016

Ross Strobe
Assistant Director
January 21, 2016