

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1842-01
Bill No.: HJR 41
Subject: Redistricting; General Assembly
Type: Original
Date: March 4, 2019

Bill Summary: This proposal modifies provisions for the number of House of Representative and Senate Districts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
General Revenue	\$0 or (More than \$7,800,000)	\$0	\$0 or \$1,715,632
Total Estimated Net Effect on General Revenue	\$0 or (More than \$7,800,000)	\$0	\$0 or \$1,715,632

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2020	FY 2021	FY 2022
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 2020	FY 2021	FY 2022
Local Government	\$0	\$0	\$0

* Transfer out and transfer in net to zero.

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, Joint Resolutions proposing a constitutional amendment are 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, §115.063.2, RSMo, requires the state to pay the costs. The cost of the special election has been estimated to be \$7.8 million based on the cost of the 2016 Presidential Preference Primary.

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. Funding for this item is adjusted each year depending upon the election cycle. A new decision item is requested in odd numbered fiscal years and the amount requested is dependent upon the estimated number of ballot measures that will be approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2014, the General Assembly changed the appropriation so that it was no longer an estimated appropriation.

In FY19, over \$5.8 million was spent to publish the full text of the measures for the August and November elections. The SOS estimates \$65,000 per page for the costs of publications based on the actual cost incurred for the one referendum that was on the August 2018 ballot.

The SOS 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 2020. 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 statewide primary election is in August 2020 and the next scheduled general election is in November 2020

ASSUMPTION (continued)

(FY 2021 for both). 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 2020.

Officials from the **Missouri Senate (SEN)** anticipates a direct negative fiscal impact due to the costs of adding 6 new Senatorial districts.

The SEN estimates a Statutory fiscal impact of \$277,174,80 (\$46,195.80 x 6) which includes:

Senators Mileage of \$1,961 x 6 for a total of \$11,766 (Statutory Appropriation - average total miles of current senators used in calculation 265 X .37 X 20 weeks).

Senators' Per Diem of \$8,344 x 6 for a total of \$50,064 (Statutory Appropriation - current daily per diem \$119.20 X 70 est total session days).

Senators' Salary of \$35,890.80 x 6 for a total of \$215,344.80 (Statutory Appropriation - current legislator salary \$1,495.45 X 24 pay periods).

The SEN estimates a senate contingent fiscal impact of \$1,620,784 which includes:

Chamber reconfiguration of \$400,000 (Cost to reorganize all desks, buy a new desk and chair, and to recarpet the chamber).

Desk Purchases of \$3,000 x 6 for a total of \$18,000

Chair Purchases of \$1,000 x 40 for a total of \$40,000 (would need to replace all chairs so they match)

Electrical & Data in Chamber of \$350,000 (Cost for new console, conduit, data and sound, electrical jacks and microphone).

Phones and Licenses of \$1,200 x 6 for a total of \$7,200 (cost to purchase new phones and licenses for 1 new senator and 2 new office staff).

ITSD Cost of \$5,800 x 6 for a total of \$34,800 (Cost to purchase 3 new computers, a printer, monitors, scanner, mice/keyboards, label maker, MS licenses).

Office Furniture of \$7,900 x 6 for a total of \$47,400 (Cost to purchase 3 new desks \$3,600, conference table \$1,800 and 10 chairs \$2,500).

Office Space Unknown cost

Annual Budget \$120,564 x 6 for a total of \$723,384 (Senators annual budget to pay personnel, mailings, district travel and office expenses).

In summary, the Missouri Senate assumes a total cost of \$1,897,958.80.

ASSUMPTION (continued)

Oversight is unable to verify the estimates provided by the Missouri Senate. Oversight has requested additional information regarding these estimates. Upon the receipt of additional information, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

Oversight notes unless a special election is called for the purpose, Joint Resolutions proposing a constitutional amendment are submitted to a vote of the people at the next general election. Therefore, Oversight will reflect the SEN costs as \$0 or \$1,897,959 in FY 2022 on the fiscal note.

Officials from the **Missouri House of Representatives (MHR)** assume the proposal's fiscal impact is not realized until FY 21. Estimated annual savings from reduction of membership from 163 to 120 is \$3,613,591 (\$1,544,388 for member salaries, \$361,200 for expense accounts, \$1,268,500 for LA salaries, \$358,792 for session per diem and \$80,711 for session mileage).

Oversight notes unless a special election is called for the purpose, Joint Resolutions proposing a constitutional amendment are submitted to a vote of the people at the next general election. Therefore, Oversight will reflect the MHR savings as \$0 or \$3,613,591 in FY 2022 on the fiscal note. Oversight will range the impact from \$0 (voters fail to approve) to the estimates provided.

<u>FISCAL IMPACT - State Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
GENERAL REVENUE FUND			
<u>Savings</u> - MHR- membership reduction from 163 to 120			
Mileage, per diem, salary	\$0	\$0	\$0 or \$1,983,891
Expense accounts, LA salaries	<u>\$0</u>	<u>\$0</u>	<u>\$0 or \$1,629,700</u>
<u>Total Savings</u> - MHR	\$0	\$0	\$0 or \$3,613,591
 <u>Cost</u> - SEN - adding 6 senate districts			
Mileage, per diem, salary	\$0	\$0	\$0 or (\$277,175)
chamber/building improvements	\$0	\$0	\$0 or (\$897,400)
other related expenses (support personnel, mailings, travel, etc.)	<u>\$0</u>	<u>\$0</u>	<u>\$0 or (\$723,384)</u>
<u>Total Costs</u> - SEN	\$0	\$0	\$0 or (\$1,897,959)
 <u>Transfer Out</u> - SOS - reimbursement of local election authority election costs if a special election is called by the GOV	 \$0 or (More than \$7,800,000)	 <u>\$0</u>	 <u>\$0</u>
 ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	 \$0 or (More than <u>\$7,800,000</u>)	 <u>\$0</u>	 <u>\$0 or \$1,715,632</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2020 (10 Mo.)	FY 2021	FY 2022
LOCAL POLITICAL SUBDIVISIONS			
 <u>Transfer In</u> - Local Election Authorities - reimbursement of election costs by the State for a special election	 \$0 or More than \$7,800,000	 \$0	 \$0
 <u>Costs</u> - Local Election Authorities - cost of a special election if called for by the Governor	 \$0 or (More than <u>\$7,800,000</u>)	 <u>\$0</u>	 <u>\$0</u>
 ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS	 <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 would create a three to one ratio of House districts to Senate districts with equal population districts and three House districts drawn within each Senate district. The existing criteria for redistricting remain unchanged. The amendment staggers terms of some offices to account for the new number of 40 Senators and 120 Representatives.

This legislation is not federally mandated, would not duplicate any other program and would not require additional rental space. The proposal may require capital improvements to the Capitol Building.

SOURCES OF INFORMATION

Office of the Secretary of State
Missouri Senate
Missouri House of Representatives

Kyle Rieman
Director
March 4, 2019



Ross Strope
Assistant Director
March 4, 2019