COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3114H.01P

Bill No.: Perfected HJR 70

Subject: Constitutional Amendments; Secretary of State

Type: Original

Date: February 16, 2022

Bill Summary: This joint resolution modifies provisions for amending the Constitution.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2023	FY 2024	FY 2025	
General Revenue*	\$0 or (More than \$7,000,000)	\$0	\$0	
Total Estimated Net Effect on General Revenue	\$0 or (More than \$7,000,000)	\$0	\$0	

^{*}The potential fiscal impact of "(More than \$7,000,000)" would be realized **only** if a special election were called by the Governor to submit this joint resolution to voters.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2023	FY 2024	FY 2025	
Total Estimated Net				
Effect on Other State				
Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2023	FY 2024	FY 2025	
Total Estimated Net				
Effect on All Federal				
Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2023	FY 2024	FY 2025	
Total Estimated Net				
Effect on FTE	0	0	0	

- ⊠ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2023	FY 2024	FY 2025	
Local Government	\$0*	\$0	\$0	

^{*}Transfer out and transfer in net to zero **if** the Governor calls a special election.

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FISCAL ANALYSIS

ASSUMPTION

Officials from 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, section 115.063.2 RSMo requires the state to pay the costs. The cost of the special election has been estimated to be \$7 million based on the cost of the 2020 Presidential Preference Primary.

The Secretary of State's 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. 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.

For the FY22 petitions cycle, the SOS estimates publication costs at \$70,000 per page. This amount is subject to change based on number of petitions received, length of those petitions and rates charged by newspaper publishers.

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, the SOS reserves the right to request funding to meet the cost of 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 2023. 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 2022 and the next scheduled general election is in November 2022

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(both in FY 2023). 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 (a different date). Therefore, Oversight will reflect a potential election cost reimbursement to local political subdivisions in FY 2023.

Officials from the Missouri Senate, Missouri House of Representatives, Platte County Board of Elections, Jackson County Board of Elections, and St. Louis County Board of Elections each assume the proposal will have no fiscal impact on their respective organizations. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

Oversight only reflects the responses received from state agencies and political subdivisions; however, other local election authorities and county clerks were requested to respond to this proposed legislation but did not. A listing of political subdivisions included in the Missouri Legislative Information System (MOLIS) database is available upon request.

FISCAL IMPACT – State Government	FY 2023	FY 2024	FY 2025
	(10 Mo.)		
GENERAL REVENUE FUND			
<u>Transfer Out</u> – SOS – reimbursement of			
Local Election Authorities election	\$0 or (More than		
costs if special election is called for by	\$7,000,000)	<u>\$0</u>	<u>\$0</u>
the Governor			
ESTIMATED NET EFFECT ON	\$0 or (More		
GENERAL REVENUE FUND	than \$7,000,000)	<u>\$0</u>	<u>\$0</u>

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FISCAL IMPACT – Local Government	FY 2023	FY 2024	FY 2025
	(10 Mo.)		
LOCAL POLITICAL			
SUBDIVISIONS			
<u>Transfer In</u> - Local Election Authorities	\$0 or More than		
reimbursement of election costs by	\$7,000,000	\$0	\$0
State for a special election			
<u>Costs</u> - Local Election Authorities			
cost of a special election if called for by	\$0 or (More than		
the Governor	<u>\$7,000,000)</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 requires Constitutional amendments submitted by initiative petition to be approved by a majority of registered voters. Registered voters are defined in terms of persons allowed to vote at the most recent general, municipal, or primary election preceding the amendment vote.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Office of the Secretary of State Missouri House of Representatives Missouri Senate Jackson County Board of Elections Platte County Board of Elections St. Louis County Board of Elections

Julie Morff Director

February 16, 2022

Ross Strope Assistant Director February 16, 2022