

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3912-01  
Bill No.: HJR 63  
Subject: Constitutional Amendments; Elections  
Type: Original  
Date: February 15, 2010

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Bill Summary: This resolution proposes a constitutional amendment increasing the percentage of required voter signatures in each of two-thirds of the Congressional districts before a petition can be placed on the ballot.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
General Revenue	\$0 or (More than \$7,000,000)	\$0	\$0 or (\$139,125)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0 or (More than \$7,000,000)</b>	<b>\$0</b>	<b>\$0 or (\$139,125)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 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).

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2011</b>	<b>FY 2012</b>	<b>FY 2013</b>
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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## **FISCAL ANALYSIS**

### ASSUMPTION

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

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 I, Section 26, 27, 28 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 2009, at the August and November elections, there were 5 statewide Constitutional Amendments or ballot propositions that cost \$1.35 million to publish (an average of \$270,000 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 2011. 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 2010 (FY 2011). 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 2011.

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 2011 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, 2010 regarding this joint resolution; however, if a special election is not called, the subject will be voted on at the general election in November, 2010.

The **Office of the Secretary of State** also stated this resolution requires an increased percentage of signatures submitted in each of two-thirds of the Congressional districts before a petition can be placed on the ballot. If this constitutional amendment is approved, there would be increased personnel costs to the SOS to process the additional signatures. Based on the 2008 petition cycle, an average of 319,823 gubernatorial votes were cast in the 2008 general election. An increase in the number of signatures required for statutory change will require at least an additional 95,946 signatures in two-thirds of the Congressional districts. A 7% increase in the number of signatures required for a Constitutional change will require at least an additional 134,328 signatures. In 2008, three petitions were submitted proposing a statutory change and two were submitted proposing a constitutional change. Based on the number of petitions submitted in 2008, at least an additional 287,838 signatures would have to be verified for the statutory changes and at least 268,656 for the constitutional changes. Assuming 1 minute to process each signature and \$15 per hour for staff, the personnel costs to the Secretary of State's Office could be at least \$139,125.

Average of votes cast per Congressional District - 319,823

Statutory

$319,823 \times 10\%$  (purposed increase) = 31,982  
 $-319,823 \times 5\%$  (current requirement) = 15,991  
Total additional signatures required = 15,991

Constitutional

$319,823 \times 15\%$  ( purposed increase) = 47,973  
 $-319,823 \times 8\%$  ( current requirement) = 25,585  
Total additional signatures required = 22,388

ASSUMPTION (continued)

Additional signatures (statutory) - 15,991 x 6 Congressional districts = 95,946  
 95,946 x 3 petitions returned = 287,838

Additional signatures (constitutional) -22,388 x 6 Congressional districts = 134,328  
 134,328 x 2 petitions returned = 268,656

556,494 (287,838 + 268,656) additional signatures x 1 minute to process = 556,494 minutes  
 556,494 minutes/60 min = 9,275 hrs  
 9,275 hrs x \$15/hr = \$139,125

This bill will create significant personnel costs to local election authorities to verify the additional signatures.

The requirements of this bill would not be implemented until the 2012 petition cycle, occurring in Fiscal Year 2013.

**Oversight** will range the potential fiscal impact to the SOS from \$0 (resolution is not passed by a vote of the people or no initiative petitions are submitted to the SOS) to the additional cost estimated by the Office of the Secretary of State.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
<b>GENERAL REVENUE</b>			
<u>Expense</u> - reimbursement of local political subdivisions for special election costs	\$0 or (More than \$7,000,000)	\$0	\$0
<u>Expense</u> - Secretary of State Potential cost of verifying increased number of signatures for initiative petitions	<u>\$0</u>	<u>\$0</u>	\$0 or <u>(\$139,125)</u>
<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b><u>\$0 or (More than \$7,000,000)</u></b>	<b><u>\$0</u></b>	<b><u>\$0 or (\$139,125)</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
<b>LOCAL POLITICAL SUBDIVISIONS</b>			
<u>Income</u> - cost reimbursement from the State for special election	\$0 or More than \$7,000,000	\$0	\$0
<u>Expense</u> - cost for special election	\$0 or (More than \$7,000,000)	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT TO LOCAL POLITICAL SUBDIVISIONS</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

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 changes the requirements for submitting an initiative petition that proposes an amendment to the Missouri Constitution by increasing the number of signatures required from 8% to 15% of the legal voters in each of two-thirds of the state's Congressional districts before it may be placed on the ballot. The number of signatures required for a petition proposing a law is increased from 5% to 10% of those voters.

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  
Office of the Attorney General

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
February 15, 2010