

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 3912-02  
Bill No.: Perfected HCS for HJR 63  
Subject: Constitutional Amendments; Elections  
Type: Original  
Date: April 27, 2010

---

Bill Summary: This resolution proposes a constitutional amendment increasing the number of congressional districts in which voter signatures must be collected 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 (\$85,080)
<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 (\$85,080)</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 6 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>

---

## 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.

In response to a similar proposal from this year (HJR 92), officials from th **Office of the Secretary of State** stated this resolution requires that every congressional district meet the percentage of signatures required to place an initiative measure on the ballot. If this constitutional amendment is approved, there would be increased personnel costs to the Secretary of State's Office to process the signatures for the additional congressional districts. Based on the 2008 petition cycle, an average of 22,688 signatures per congressional district were submitted for each of the five petitions returned to the Secretary of State's office in 2008. 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 \$85,080.

22,688 signatures per Congressional District (CD) x 3 additional CD = 68,064 additional signatures per petition  
68,064 signatures x 1 minute to process = 68,064 minutes  
68,064 minutes/60 min = 1,134 hrs  
1,134 hrs x \$15/hr = \$17,016 per petition

\$17,010 per petition x 5 petitions submitted in 2008 = \$85,080

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

The requirements of this resolution 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>(\$85,080)</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 (\$85,080)</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 minimum legal voter signature requirement for placing a constitutional amendment on the ballot through the initiative petition process from 8% of the legal voters in two-thirds of the Congressional districts in Missouri to 8% of the legal voters in each Congressional district.

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  
Office of the Attorney General



Mickey Wilson, CPA  
Director  
April 27, 2010