

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0116-01
Bill No.: SJR 9
Subject: Appropriations; Constitutional Amendments; General Assembly
Type: Original
Date: February 17, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	\$0	(\$38,670)	More than \$9,200
Total Estimated Net Effect on General Revenue Fund	\$0	(\$38,670)	More than \$9,200

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Secretary of State (SOS)** assume this proposal would require publication of the proposed constitutional amendment. Statewide newspaper publication of state statutes cost approximately \$1,289 per column inch based on an estimate provided by the Missouri Press Service x 3 for multiple printings as required by the Constitution and state statute = \$3,867 per column inch. SOS estimates the total number of inches for this amendment to be 10 inches, including title header and certification paragraph. (\$3,867 x 10 inches = \$38,670). These costs are based on 2004 figures and are subject to change.

Oversight assumes the election would be held in conjunction with the November 2006 general election rather than at a special election.

Officials from the **Office of the State Treasurer**, the **Missouri House of Representatives**, and the **Office of Administration, Missouri Ethics Commission**, assume this proposal would have no impact on their organizations.

ASSUMPTIONS (continued)

Officials from the **Missouri Senate** assume this proposal could result potential savings (cost avoidance) associated with this legislation depending on whether the number of legislative days per session are impacted. A reduction in the number of session days would result in a corresponding decrease in statutory cost. The "in-session" days have statutorily mandated costs associated with them in the form of statutory mileage payments (one round trip per week at the state mileage rate) and statutory per diem payments (currently \$76.80 per day) when answering a daily roll call.

Oversight assumes there could be a cost reduction from reducing the number of legislative days per session; however, the proposal does not include any reduction in or limitation of the number of legislative days. Oversight has not included any savings from reducing the number of legislative days in this fiscal note.

Officials from the **Office of Administration, Division of Budget and Planning** (BAP) assume this proposal would result in a small savings to BAP related to the costs of printing the Executive Budget every other year (approx. \$9,200). In addition, there should be savings to each state agency related to their costs of printing annual budget request books.

Oversight assumes there would be unknown savings to the state each biennium from the reduction in Executive Budget printing costs, and from the reduction in agency printing costs. Oversight assumes there would be a corresponding but smaller increase in costs due to the need for more emergency and supplemental budget requests. If the proposal is approved by the voters in the November 2006 general election, the first legislative session required to approve two-year budgets would begin in January 2007. The first legislative session dedicated to general laws and supplementary appropriations would begin in January 2008. Oversight has shown cost reductions to the General Revenue Fund related to budget publication of more than \$9,200 in FY 2008, and notes there could be additional savings in subsequent years from a more general reduction in budget preparation activity.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
GENERAL REVENUE FUND			
Cost reduction - budget publications	\$0	\$0	More than \$9,200
<u>Cost - Secretary of State</u> Newspaper Advertisements	<u>\$0</u>	<u>(\$38,670)</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0</u>	<u>(\$38,670)</u>	<u>More than \$9,200</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
	<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.

DESCRIPTION

This proposed constitutional amendment, if approved by the voters, would adopt a two-year budget and appropriation cycle.

The first legislative session of each general assembly would be used exclusively for the enactment of appropriations laws except for emergency legislation where health, welfare, and safety requires legislative action. The general assembly would enact appropriation laws to remain in effect for two fiscal years.

The second legislative session would be used exclusively for the enactment of general laws except for the enactment of supplemental appropriations laws if necessary.

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 State Treasurer
Missouri House of Representatives
Missouri Senate
Office of Administration
 Division of Budget and Planning
 Missouri Ethics Commission

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

Mickey Wilson, CPA
Director
February 17, 2005