

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0888-01
Bill No.: SJR 13
Subject: Constitutional Amendments; General Assembly; Redistricting
Type: Original
Date: January 28, 2005

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2006	FY 2007	FY 2008
General Revenue	\$0	(\$96,675)	\$0
Total Estimated Net Effect on General Revenue Fund	\$0	(\$96,675)	\$0

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 6 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 **Missouri State Employees Retirement System** assume the proposal will have no fiscal impact on their organization.

Officials from the **Joint Committee on Public Employee Retirement (JCP)** state the proposal would not create a “substantial change” in future plan benefits and, therefore, an actuarial cost statement is not required under the provisions of section 105.660(5). It is anticipated however, that the provisions of the proposal would result in a savings, thereby, decreasing the required employer contribution to the plan.

Officials from the **Missouri House of Representatives (MHR)** estimated savings for members had the proposal been in effect for the current session at \$5,534,144 based on:

- Salaries of \$31,351
- Per diem of \$5,376 (70 session days @ \$76.80 per day)
- Mileage of \$1,770 (\$93 per week
- Legislative Assistant salary of \$25,000
- Member account of \$9,600

Total savings would be \$73,098 per member X 64 members = \$4,678,248.

ASSUMPTION (continued)

The state would also save fringe benefits for members and legislative assistants of \$1,538,496 [(\$31,351+\$25,000) X 42.66% fringe benefit factor].

Therefore, total estimated savings for reduction in the size of the House would have been \$6,216,744,

MHR officials noted the possibility of savings for House administrative staff, printing costs, telecommunications and data processing expenses. They also noted that there could be costs for capital improvements, i.e., reconfiguring office space in the Capitol.

Officials from the **Missouri Senate (SEN)** state considering that the proposal would not take effect until eight (8) years in the future, the savings estimates being made are based on present year (FY 05) dollars.

Senators' Salaries and Benefits

The proposal reduces the number of senators from 34 to 33. The SEN assumes salary and fringe benefit saving of \$44,726 per year [\$31,351 salary + (\$31,351 X 42.66% fringe benefit rate for FY 05)].

Session Savings

From 1998 to 2004, the number of legislative days the Senate has actually been in session (days which senators receive per diem) has consistently been either 72 or 74 days (including veto). The only exceptions to this was in calendar year 2004 (73 days) and two years with special sessions which increased the total to 81 legislative days per year. Mileage reimbursements are provided for one round-trip per week from the legislator's home and the capitol building. The SEN estimates between \$7,392 and \$8,475 in savings for per diem and mileage as a result of reducing the number of senators by one.

Allotments

Senators are annually provided allotments to cover expenditures related to the operation of their respective offices. The base total allotment per senator is presently \$105,256 per year. The SEN estimates allotment savings of \$105,256.

Additionally, a portion of the total allotment is for staff salaries. Therefore, there would also be a savings for the fringe benefit component of the allotment. The SEN estimates \$34,195 in savings related to fringe benefits.

ASSUMPTION (continued)

The SEN assumes there would be other savings realized due to the reduced number of offices and staff members to support, but these savings cannot be estimated at the present time.

Summary

The SEN estimates the proposal would have an annual savings impact on General Revenue of \$191,569 to \$192,652 [\$44,726 salary and fringe benefits for senator + per diem and mileage (\$7,392 to \$8,475) + \$105,256 allotment + \$34,195 personal service fringe benefits].

Officials from the **Office of Secretary of State (SOS) - Elections Division** provide statewide newspaper publication of state statutes cost approximately \$1,289 per column inch, based on an estimate provided by the Missouri Press Service times 3 for multiple printings, as required by the Constitution and state statute. Therefore, publication costs are \$3,867 per column inch (\$1,289 X 3). The SOS estimates the total number of inches for this amendment to be 25 inches, including title header and certification paragraph. The SOS estimates the total costs for publication to be \$96,675 (\$3,867 X 25 inches). These costs are based on 2004 figures and are subject to change.

Oversight notes the ninety-seventh General Assembly would begin in **January, 2013**; therefore, there are no savings shown in this fiscal note.

<u>FISCAL IMPACT - State Government</u>	FY 2006 (10 Mo.)	FY 2007	FY 2008
GENERAL REVENUE FUND			
<u>Costs - Office of Secretary of State</u>			
Newspaper advertisements	<u>\$0</u>	<u>(\$96,675)</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u>\$0</u>	<u>(\$96,675)</u>	<u>\$0</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

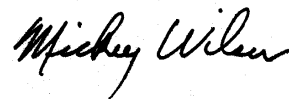
This proposed constitutional amendment, if approved by the voters, would reduce the number of State Representatives from 163 to 99 and decrease the number of Senators from 34 to 33.

Beginning with the 97th General Assembly, the state will be divided into 33 senatorial districts. Each state senatorial district shall have 3 state representative districts contained wholly within such senatorial district. Each representative district shall contain as close to one-third of the population of such senatorial district as possible. One reapportionment commission shall be responsible for the division of Senate and Representative districts. Currently, there is both a House and Senate reapportionment commission.

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

Joint Committee on Public Retirement Systems
Missouri State Employees Retirement System
Missouri House of Representatives
Missouri Senate
Office of Secretary of State



Mickey Wilson, CPA
Director

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