

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0194-01
Bill No.: SJR 3
Subject: Constitutional Amendments; Appropriations
Type: Original
Date: February 7, 2007

Bill Summary: This proposal creates the Missouri Savings Account in the Constitution.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
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 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

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).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the State Treasurer** assume that this creates the "Missouri Savings Account Fund" within the treasury. Beginning in FY09, 2% of total GR appropriations (less debt services appropriations) shall be transferred to the fund prior to any other payments that fiscal year. If actual GR collections fall short of 3% growth in any fiscal year, the balance in the fund (including interest) is available for appropriation in any fiscal year following the year that monies were transferred to the fund. In the legislative session prior to a fiscal year where estimated GR collections are expected to fall short of the estimated collections of the ongoing fiscal year, or if the governor places withholdings on appropriations, then 1/3 of the balance in the fund may be appropriated for budget needs. At fiscal year end, if the balance exceeds 1/3 actual net GR collections for the fiscal year, the balance shall be transferred by the commissioner of administration to GR, unless the General Assembly made appropriations to the fund specifically to increase its balance. The Office of the State Treasurer defers to BAP for fiscal impact.

Officials at the **Office of Administration's Budget and Planning (BAP)** assume there is no fiscal impact for this proposal to BAP. However, if the constitutional amendment passes, any amount transferred from General Revenue into the Missouri Savings Account Fund would equate to less funds being available for state programs.

Oversight assumes this is a proposed constitutional amendment that will not have a fiscal impact on the state unless it is passed.

Officials at the **Office of the Secretary of State (SOS)** assume many joint resolutions are considered by the General Assembly that would require the SOS 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. The SOS 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 \$1.6 million historically appropriated in even numbered fiscal years and \$100,000 appropriated in odd 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 2007 at the August and November elections there were 6 statewide Constitutional Amendments or ballot propositions that cost \$1.2 million to publish (an average of \$193,000 per issue). Therefore, the SOS 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

ASSUMPTION (continued)

publishing requirements if the Governor and the General Assembly change the amount or eliminate the estimated nature of our appropriation.

Oversight assumes the SOS could absorb the costs of advertising the statewide ballot measure related to this proposal within their current appropriation level. If multiple bills pass or if multiple ballot initiatives are validated which require similar advertising at substantial costs, the SOS could request funding through the appropriation process.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
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FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

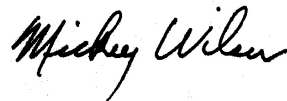
The proposed legislation appears to have no fiscal impact.

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 Administration's Budget and Planning
Office of the State Treasurer
Office of the Secretary of State

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive style with a large initial "M".

Mickey Wilson, CPA
Director
February 7, 2007