## COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

#### FISCAL NOTE

<u>L.R. No.</u>: 5268-10 <u>Bill No.</u>: SJR 39

Subject: Constitutional Amendments; Religion; Liability; Civil Rights; Marriage and

Divorce; Civil Penalties; Civil and Criminal Procedure

<u>Type</u>: Original

Date: February 22, 2016

Bill Summary: This proposal prohibits the state from imposing penalties on individuals

and religious entities who refuse to participate in same sex marriage

ceremonies due to sincerely held religious beliefs.

## **FISCAL SUMMARY**

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND        |                                   |         |         |  |
|---|-----------------------------------|---------|---------|--|
| FUND AFFECTED                                       | FY 2017                           | FY 2018 | FY 2019 |  |
| General Revenue                                     | \$0 or (More than<br>\$7,100,000) | \$0     | \$0     |  |
| Total Estimated<br>Net Effect on<br>General Revenue | \$0 or (More than<br>\$7,100,000) | \$0     | \$0     |  |

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS       |         |         |         |  |
|---|---------|---------|---------|--|
| FUND AFFECTED                                   | FY 2017 | FY 2018 | FY 2019 |  |
|   |         |         |         |  |
|   |         |         |         |  |
| Total Estimated Net Effect on Other State Funds | \$0     | \$0     | \$0     |  |

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 6 pages.

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| ESTIMATED NET EFFECT ON FEDERAL FUNDS                        |         |         |         |  |
|--|---------|---------|---------|--|
| FUND AFFECTED  | FY 2017 | FY 2018 | FY 2019 |  |
|  |         |         |         |  |
|  |         |         |         |  |
| Total Estimated<br>Net Effect on <u>All</u><br>Federal Funds | \$0     | \$0     | \$0     |  |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) |         |         |         |  |
|--|---------|---------|---------|--|
| FUND AFFECTED                                      | FY 2017 | FY 2018 | FY 2019 |  |
|  |         |         |         |  |
|  |         |         |         |  |
| Total Estimated Net Effect on FTE                  | 0       | 0       | 0       |  |

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| ESTIMATED NET EFFECT ON LOCAL FUNDS |         |         |         |  |
|-------------------------------------|---------|---------|---------|--|
| FUND AFFECTED                       | FY 2017 | FY 2018 | FY 2019 |  |
| <b>Local Government*</b>            | \$0     | \$0     | \$0     |  |

<sup>\*</sup>Distribution increases (decreases) net to zero.

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#### FISCAL ANALYSIS

#### **ASSUMPTION**

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

In response to other Joint Resolutions, the Office of the Secretary of State (SOS) stated a number of joint resolutions that would refer to a vote of the people a constitutional amendment and bills that would refer to a vote of the people the statutory issue in the legislation may be considered by the General Assembly.

Unless a special election is called for the purpose, Joint Resolutions proposing a constitutional amendment are submitted to a vote of the people at the next general election. Article XII section 2(b) of the Missouri Constitution authorizes the governor to order a special election for constitutional amendments referred to the people. If a special election is called to submit a Joint Resolution to a vote of the people, §115.063.2, RSMo, requires the state to pay the costs. The cost of the special election has been estimated to be \$7.1 million based on the cost of the 2012 Presidential Preference Primary. This figure was determined through analyzing and totaling expense reports from the 2012 Presidential Preference Primary received from local election authorities.

The SOS is required 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 \$1.3 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 2013, at the August and November elections, there were 5 statewide Constitutional Amendments or ballot propositions that cost \$2.17 million to publish (an average of \$434,000 per issue). In FY 2015, the General Assembly changed the appropriation so that it was no longer an estimated appropriation and the SOS was appropriated \$1.19 million to publish the full text of the measures. Due to this reduced funding, the SOS reduced the scope of the publication of these measures. In FY 2015, at the August and

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### <u>ASSUMPTION</u> (continued)

November elections, there were 9 statewide Constitutional Amendments or ballot propositions that cost \$1.1 million to publish (an average of \$122,000 per issue). Despite the FY 2015 reduction, the SOS will continue to assume, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. 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 again change the amount or continue to not designate it as an estimated 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 2017. 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 2016 (FY 2017). 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 2017.

| ESTIMATED NET EFFECT ON<br>GENERAL REVENUE  | \$0 or (More<br>than<br><u>\$7,100,000)</u> | <u>\$0</u> | <u>\$0</u> |
|---|---|------------|------------|
| Transfer Out - Office of the Secretary of State - reimbursement of local election authority election costs <b>if</b> a special election is called by the Governor | \$0 or (More<br>than<br>\$7,100,000)        | <u>\$0</u> | <u>\$0</u> |
| GENERAL REVENUE   | (10 Mo.)                                    | 1 1 2016   | FT 2019    |
| FISCAL IMPACT - State Government  | FY 2017                                     | FY 2018    | FY 2019    |

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| FISCAL IMPACT - Local Government  | FY 2017<br>(10 Mo.)                  | FY 2018    | FY 2019    |
|---|--------------------------------------|------------|------------|
| LOCAL POLITICAL SUBDIVISIONS  | (10 1/101)                           |            |            |
| <u>Transfer In</u> - Local Election Authorities - reimbursement of election costs by the State for a special election | \$0 or More than<br>\$7,100,000      | \$0        | \$0        |
| <u>Costs</u> - Local Election Authorities - cost of a special election  | \$0 or (More<br>than<br>\$7,100,000) | <u>\$0</u> | <u>\$0</u> |
| ESTIMATED NET EFFECT ON LOCAL POLITICAL SUBDIVISIONS  | <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.

#### FISCAL DESCRIPTION

This proposed constitutional amendment, if approved by the qualified voters of this state, prohibits the state from imposing a penalty on a religious organization who acts in accordance with a sincere religious belief concerning same sex marriage, which includes the refusal to perform a same sex marriage ceremony or allow a same sex wedding ceremony to be performed on the religious organization's property. The state cannot penalize an individual who declines, due to sincere religious beliefs, to provide goods of expressional or artistic creation for a same sex wedding ceremony. Nothing in the resolution prevents the state from providing lawful marriage licenses or other marital benefits. The resolution also does not allow a hospital to refuse to treat a marriage as valid for the purposes of a spouse's right to visitation or to make health care decisions. Persons protected by this resolution may use the law as a claim or defense in a legal proceeding regardless of whether the state is a party in the dispute.

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**

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Director

February 22, 2016

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