

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5268-17
Bill No.: Perfected SS#3 for SJR 39
Subject: Constitutional Amendments; Religion; Liability; Civil Rights; Marriage and Divorce; Civil Penalties; Civil and Criminal Procedure
Type: Original
Date: March 7, 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 \$7,100,000)	\$0	\$0
Total Estimated Net Effect on General Revenue	\$0 or (More than \$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 <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 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> 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
Local Government*	\$0	\$0	\$0

*Distribution increases (decreases) net to zero.

FISCAL ANALYSIS

ASSUMPTION

In response to a previous version of this proposal, officials from the **Office of the Secretary of State (SOS)** expressed that 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 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.

ASSUMPTION (continued)

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.

In response to a previous version of this proposal, officials from the **Department of Revenue, Department of Health and Senior Services, Office of the State Courts Administrator, Department of Corrections, Department of Higher Education, Department of Elementary and Secondary Education, Department of Labor and Industrial Relations, Department of Social Services,** and the **Department of Insurance, Financial Institutions and Professional Registration** each assumed the proposal would not fiscally impact their respective agencies.

In response to a previous version of this proposal, officials from the **Attorney General's Office** assumed that any potential costs arising from this proposal could be absorbed with existing resources.

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

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

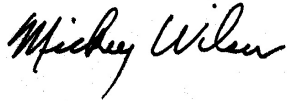
FISCAL DESCRIPTION

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.

SOURCES OF INFORMATION

Office of the Secretary of State
Office of the State Courts Administrator
Attorney General's Office
Department of Social Services
Department of Health and Senior Services
Department of Higher Education
Department of Corrections
Department of Insurance, Financial Institutions and Professional Registration
Department of Labor and Industrial Relations
Department of Revenue



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March 7, 2016

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March 7, 2016