

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 0639-01  
Bill No.: SJR 7  
Subject: Constitutional Amendments; General Assembly; Redistricting  
Type: Original  
Date: January 19, 2017

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Bill Summary: This proposal modifies the number of members of the General Assembly and limits service in the General Assembly to sixteen years in any proportion between the House and Senate.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2024)
General Revenue	\$0 or (More than \$7,800,000)	\$0	\$0	\$0 or \$2,244,395
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0 or (More than \$7,800,000)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0 or \$2,244,395</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2024)
<b>Total Estimated Net Effect on Other State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses. This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2024)
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2024)
General Revenue	0	0	0	0 or (31 FTE) plus (37 General Assembly Members)
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0 or (31 FTE) plus (37 General Assembly Members)</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>				
FUND AFFECTED	FY 2018	FY 2019	FY 2020	Fully Implemented (FY 2024)
<b>Local Government*</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

\* Potential expenses and reimbursements netting to zero if a special election is called for by the Governor.

## FISCAL ANALYSIS

### ASSUMPTION

Officials from the **Missouri House of Representatives (MHR)** assume this proposal would eliminate 43 MHR members.

- Salaries =  $43 \times \$35,915 = \$1,544,345$
- Expense Accounts =  $43 \times \$8,400 = \$361,200$
- Session Mileage =  $43 \times 268$  (average weekly round-trip mileage)  $\times \$0.37 \times 19$  (weeks of session) =  $\$81,014$
- Session Per Diem =  $43 \times \$113.60 \times 70$  (days of session) =  $\$341,936$
- Legislative Assistant Salaries =  $43 \times \$29,500 = \$1,268,500$

The fiscal impact will not be realized until FY 2023, with the estimated annual savings in today's values of \$ 3,596,955 ( $\$1,544,345 + \$361,200 + \$81,014 + \$341,936 + \$1,268,500$ ).

Officials from the **Missouri Senate (SEN)** assume this proposal would add six members.

- Salaries =  $6 \times \$35,915 = \$215,490$
- Staff Salaries =  $12 \times \$45,268.50 = \$543,222$
- Fringe Benefits =  $\$388,936$
- Session Per Diem =  $6 \times \$113.60 \times 70$  (days of session) =  $\$47,712$
- Session Mileage =  $6 \times \$105 \times 20$  (weeks of session) =  $\$12,600$
- Office Allotments =  $6 \times \$24,100 = \$144,600$

The fiscal impact will not be fully realized until FY 2024, with the estimated annual costs in today's values of \$1,352,560. ( $\$215,490 + \$543,222 + \$388,936 + \$47,712 + \$12,600 + \$144,600$ ).

**Oversight** will range the fiscal impact from \$0 (SJR is not passed by voters) to the estimates provided by the MHR and SEN. Oversight also notes the 102<sup>nd</sup> General Assembly will be sworn in January 2023; therefore, the first fully implemented fiscal year will be FY 2024.

Officials at the **Office of the Secretary of State (SOS)** assume each year, 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.

ASSUMPTION (continued)

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, sub-section 115.063.2, RSMo, requires the state to pay the costs. The cost of the special election has been estimated to be \$7.8 million based on the cost of the 2016 Presidential Preference Primary.

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 sections 116.230-116.290, RSMo. The Secretary of State's Office 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 2015, the General Assembly changed the appropriation so that it was no longer an estimated appropriation. In FY 2017 the Secretary of State's Office was appropriated \$2.6 million to publish the full text of the measures. In FY 2017, at the August and November elections, there were 6 statewide Constitutional Amendments or ballot propositions that cost \$2.4 million to publish (an average of \$400,000 per issue).

Therefore, the Secretary of State's Office 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 publishing requirements if the Governor and the General Assembly change the amount or eliminate the estimated nature of our 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 2018. This reflects the decision made by the Joint Committee on Legislative Research, that the potential cost of elections should be reflected in the fiscal note. There is a general election in November 2018 (FY 2019).

Officials from the **Office of the Governor** assume the proposal will have no fiscal impact on their organization.

ASSUMPTION (continued)

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 2018.

<u>FISCAL IMPACT -</u> <u>State Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020	Fully Implemented (FY 2024)
<b>GENERAL REVENUE</b>				
<u>Savings</u> - Decreased members of the Missouri House of Representatives	\$0	\$0	\$0	\$0 or \$3,596,955
<u>Costs</u> - Increased members of the Missouri Senate	\$0	\$0	\$0	\$0 or (\$1,352,560)
<u>Transfer Out</u> - Office of the Secretary of State - reimbursement of local election authorities for election costs <b>if</b> a special election is called	<u>\$0 or (More than \$7,800,000)</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND</b>	<b><u>\$0 or (More than \$7,800,000)</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0 or \$2,244,395</u></b>
Estimated Net FTE Change for General Revenue	0 FTE	0 FTE	0 FTE	0 or (31 FTE) plus (37 General Assembly members)

<u>FISCAL IMPACT -</u> <u>Local Government</u>	FY 2018 (10 Mo.)	FY 2019	FY 2020	Fully Implemented (FY 2024)
<b>LOCAL ELECTION AUTHORITIES</b>				
<u>Transfer In</u> - Cost reimbursement from the State for special election	\$0 or More than \$7,800,000	\$0	\$0	\$0
<u>Expense</u> - Cost for special election	\$0 or (More than \$7,800,000)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
<b>ESTIMATED NET EFFECT TO LOCAL ELECTION AUTHORITIES</b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>	<b><u>\$0</u></b>

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 voters, would reduce the number of State Representatives from 163 to 120 and increase the number of Senators from 34 to 40.

Beginning with the 102nd General Assembly in 2023, the state will be divided into 40 legislative districts. Each legislative district shall have one senator and three state representatives elected at large from within such legislative district. There shall be a separate election for each state representative within a legislative district. One reapportionment commission shall be responsible for the division of the state into forty legislative districts. Currently, there are both House and Senate reapportionment commissions.

This amendment would increase term limits from eight years to sixteen years total in any one house of the General Assembly.

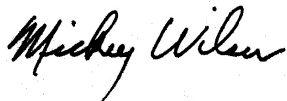
FISCAL DESCRIPTION (continued)

A person is still limited to sixteen years total in the General Assembly, but such person may split service between the House of Representatives and the Senate in any proportion as long as the individual serves no more than sixteen total years. No person shall run for office for either house of the General Assembly if the person would be prohibited from completing the full term in office based on the limitations of this act.

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

Missouri House of Representatives  
Missouri Senate  
Office of the Secretary of State  
Office of the Governor



Mickey Wilson, CPA  
Director  
January 19, 2017

Ross Strope  
Assistant Director  
January 19, 2017