COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0519S.01I Bill No.: SJR 37

Subject: Constitutional Amendments; General Assembly

Type: Original

Date: February 1, 2023

Bill Summary: This joint resolution repeals restrictions on legislative staff acting, serving,

or registering as a lobbyist after legislative employment.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND					
FUND AFFECTED	FY 2024	FY 2025	FY 2026		
General Revenue*	\$0 or (More than \$10,000,000)*	\$0	\$0		
Total Estimated Net Effect on General	\$0 or (More than				
Revenue	\$10,000,000)*	\$0	\$0		

^{*}The potential fiscal impact of "(More than \$10,000,000)" would be realized **only** if a special election were called by the Governor to submit this joint resolution to voters.

^{*}The Office of the Secretary of State has updated the estimated cost of a statewide special election after examining actual reimbursement costs for the Primary and General Election held during 2022.

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2024	FY 2025	FY 2026	
Total Estimated Net				
Effect on Other State				
Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

L.R. No. 0519S.01I Bill No. SJR 37 Page **2** of **5** February 1, 2023

ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2024	FY 2025	FY 2026	
Total Estimated Net				
Effect on All Federal				
Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2024	FY 2025	FY 2026	
Total Estimated Net				
Effect on FTE	0	0	0	

- ⊠ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.
- ☐ Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2024	FY 2025	FY 2026	
Local Government	\$0*	\$0	\$0	

^{*}Transfer out and transfer in net to zero **if** the Governor calls a special election.

L.R. No. 0519S.01I Bill No. SJR 37 Page **3** of **5** February 1, 2023

FISCAL ANALYSIS

ASSUMPTION

Officials from **Office of the Secretary of State** 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.

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, section 115.063.2 RSMo requires the state to pay the costs. The cost of the special election has been estimated to be \$10 million based on the cost of the 2022 primary and general election reimbursements.

The Secretary of State's office 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. Funding for this item is adjusted each year depending upon the election cycle. A new decision item is requested in odd numbered fiscal years and the amount requested is dependent upon the estimated number of ballot measures that will be approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2014, the General Assembly changed the appropriation so that it was no longer an estimated appropriation.

For the FY24 petitions cycle, the SOS estimates publication costs at \$70,000 per page. This amount is subject to change based on number of petitions received, length of those petitions and rates charged by newspaper publishers.

The Secretary of State's office 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, the SOS reserves the right to request funding to meet the cost of the 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 2024. 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 statewide primary election is in August 2024 and the next scheduled general election is in November 2024 (both in FY 2025). It is assumed the subject within this proposal could be on one of these ballots;

L.R. No. 0519S.01I Bill No. SJR 37 Page **4** of **5** February 1, 2023

however, it could also be on a special election called for by the Governor (a different date). Therefore, Oversight will reflect a potential election cost reimbursement to local political subdivisions in FY 2024.

Officials from the **Missouri Ethics Commission**, the **Missouri House of Representatives** and the **Missouri Senate** each assume the proposal will have no fiscal impact on their respective organizations. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note for these agencies.

ESTIMATED NET EFFECT ON GENERAL REVENUE	than <u>\$10,000,000)*</u>	<u>\$0</u>	<u>\$0</u>
	\$0 or (More		
Governor			
a special election is called by the	<u>\$10,000,000)*</u>	<u>\$0</u>	<u>\$0</u>
local election authority election costs if	than		
Transfer Out - SOS - reimbursement of	\$0 or (More		
GENERAL REVENUE			
	(10 Mo.)		
FISCAL IMPACT – State Government	FY 2024	FY 2025	FY 2026

^{*}SOS has updated the estimated cost of a statewide special election after examining actual reimbursement costs for the General Primary and General Election held during 2022.

FISCAL IMPACT – Local Government	FY 2024 (10 Mo.)	FY 2025	FY 2026
LOCAL POLITICAL	(10 Mo.)		
SUBDIVISIONS			
<u>Transfer In</u> - Local Election Authorities - reimbursement of election	\$0 or More than	\$0	\$0
costs by the State for a special election	\$10,000,000*	Ψ 0	Ψ0
Costs - Local Election Authorities -	\$0 or (More		
cost of a special election if called for by the Governor	than \$10,000,000)*	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON			
LOCAL POLITICAL			
SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

^{*}SOS has updated the estimated cost of a statewide special election after examining actual reimbursement costs for the General Primary and General Election held during 2022.

L.R. No. 0519S.01I Bill No. SJR 37 Page **5** of **5** February 1, 2023

FISCAL IMPACT – Small Business

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

FISCAL DESCRIPTION

This constitutional amendment, if approved by the voters, repeals a provision prohibiting staff of the General Assembly from acting, serving, or registering as a paid lobbyist, or soliciting prospective employers or clients to represent as a paid lobbyist during the time of employment until the expiration of two calendar years after the conclusion of the session of the General Assembly in which the employee last served.

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 Missouri Ethics Commission Missouri House of Representatives Missouri Senate

Julie Morff Director February 1, 2023 Ross Strope Assistant Director February 1, 2023