COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3967S.01I
Bill No.: SJR 56
Subject: Constitutional Amendments; Initiative and Referendum Petitions
Type: Original
Date: January 25, 2024

Bill Summary: This proposal modifies the single subject rule for initiative petitions.

FISCAL SUMMARY

| ESTIMATED NET EFFECT ON GENERAL REVENUE FUND | | | | |
|---|-----------------------------------|---------|---------|--|
| FUND AFFECTED | FY 2025 | FY 2026 | FY 2027 | |
| General Revenue* | \$0 or (More than \$8,000,000) | \$0 | \$0 | |
| Total Estimated Net Effect on General Revenue | \$0 or (More than \$8,000,000) | \$0 | \$0 | |

*The potential fiscal impact of "(More than \$8,000,000)" would be realized <u>only</u> if a special election were called by the Governor to submit this joint resolution to voters.

| ESTIMATED NET EFFECT ON OTHER STATE FUNDS | | | | |
|---|---------|---------|---------|--|
| FUND AFFECTED | FY 2025 | FY 2026 | FY 2027 | |
| | | | | |
| | | | | |
| Total Estimated Net | | | | |
| Effect on Other State | | | | |
| Funds | \$0 | \$0 | \$0 | |

Numbers within parentheses: () indicate costs or losses.

| ESTIMATED NET EFFECT ON FEDERAL FUNDS | | | | |
|---------------------------------------|---------|---------|---------|--|
| FUND AFFECTED | FY 2025 | FY 2026 | FY 2027 | |
| | | | | |
| | | | | |
| Total Estimated Net | | | | |
| Effect on <u>All</u> Federal | | | | |
| Funds | \$0 | \$0 | \$0 | |

| ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE) | | | | |
|--|---------|---------|---------|--|
| FUND AFFECTED | FY 2025 | FY 2026 | FY 2027 | |
| | | | | |
| | | | | |
| 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 2026 | FY 2027 | | | |
| | | | | | |
| Local Government\$0*\$0 | | | | | |

*The potential fiscal impact to local election authorities (reimbursed by the state) would be realized <u>only</u> if a special election were called by the Governor to submit this joint resolution to voters.

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Missouri House of Representatives** and the **Missouri Senate** each assume no fiscal impact from the joint resolution.

Officials from the Jackson County Election Board, the Platte County Board of Elections, the St. Louis City Board of Elections, the St. Louis County Board of Elections and the Greene County Clerk each assume no fiscal impact from the joint resolution.

Officials from **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.

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 \$8 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 FY25 petitions cycle, the SOS estimates publication costs at \$60,000 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.

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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 2025. 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 general election is in November 2024 (FY 2025). It is assumed the subject within this proposal could be on this ballot; 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 2025.

| FISCAL IMPACT – State Government | FY 2025 (10 Mo.) | FY 2026 | FY 2027 |
|--|---|------------|-------------------|
| | (10 110) | | |
| GENERAL REVENUE | | | |
| <u>Transfer Out</u> - SOS - reimbursement of local election authority election costs if a special election is called by the Governor | \$0 or (More than <u>\$8,000,000)</u> | <u>\$0</u> | <u>\$0</u> |
| ESTIMATED NET EFFECT ON GENERAL REVENUE* | \$0 or (More than <u>\$8,000,000)</u> | <u>\$0</u> | <u><u>\$0</u></u> |

*The potential fiscal impact of "(More than \$8,000,000)" would be realized <u>only</u> if a special election were called by the Governor to submit this joint resolution to voters.

| FISCAL IMPACT – Local Government | FY 2025 (10 Mo.) | FY 2026 | FY 2027 |
|---|---------------------|------------|------------|
| | | | |
| LOCAL POLITICAL | | | |
| SUBDIVISIONS | | | |
| | | | |
| Transfer In - Local Election | \$0 or More | | |
| Authorities - reimbursement of election | than | \$0 | \$0 |
| costs by the State for a special election | \$8,000,000 | | |
| | | | |
| Costs - Local Election Authorities - | \$0 or (More | | |
| cost of a special election if called for by | than | | |
| the Governor | <u>\$8,000,000)</u> | <u>\$0</u> | <u>\$0</u> |
| | | | |
| ESTIMATED NET EFFECT ON | | | |
| LOCAL POLITICAL | | | |
| SUBDIVISIONS | <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

This constitutional amendment, if approved by the voters, modifies various provisions relating to initiative petitions.

A petition contains a single subject and matters properly connected therewith if it does not extend beyond one sole purpose and only contains additions or changes that are necessary to effectuate a single legislative change. A petition does not contain a single subject and matters properly connected therewith if it contains a provision that would not be necessary to effectuate one or more of the other provisions in the petition.

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 House of Representatives Missouri Senate Jackson County Election Board Platte County Board of Elections St. Louis City Board of Elections St. Louis County Board of Elections Greene County Clerk

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