

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4200S.03I  
 Bill No.: SJR 49  
 Subject: Constitutional Amendments; Initiative and Referendum Petitions  
 Type: Original  
 Date: January 25, 2024

Bill Summary: This proposal modifies process for ballot measures.

**FISCAL SUMMARY**

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

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

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2025	FY 2026	FY 2027
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: () indicate costs or losses.

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

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

- 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.

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>
<b>Local Government</b>	<b>\$0*</b>	<b>\$0</b>	<b>\$0</b>

\*The potential fiscal impact to local election authorities (reimbursed by the state) would be realized only 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 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.

**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.

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

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

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

#### SECTION 50

The amendment gives legal voters in each congressional district the opportunity to review and comment upon all initiative petitions proposing constitutional amendments not less than 15 days prior to the election. The process will be administered by the Secretary of State in a public forum.

#### LEGAL VOTERS AND ELECTORS

##### SECTION 50

Current law limits signing of initiative petitions to legal voters. This amendment further stipulates that, for purposes of signing petitions and voting on ballot measures, legal voters and electors only include those who are citizens of the United States of America, who are 18 years of age or older, and who are residents of and registered to vote in the State of Missouri.

#### RESTRICTIONS ON USE OF INITIATIVE FOR CERTAIN TOPICS

##### SECTION 51.1 AND 51.4

The amendment prohibits initiative petitions on the following topics:

- Permitting public officials to receive gifts from lobbyists;
- Raising sales taxes on food;
- Raising, expanding, or imposing any taxes or fees on real estate, real estate transactions, or real or personal property;
- Reducing the appropriation of money dedicated to any law enforcement agency, the Missouri Department of the National Guard, or first responders; and
- Reducing state revenues for public education.

Additionally, the General Assembly is given exclusive authority to enact laws enforcing provisions in the Constitution relating to ballot measures.

#### PROHIBITING FOREIGN ACTIVITY IN INITIATIVE PETITIONS

##### SECTION 54.2

The amendment creates new restrictions relating to foreign government activity with respect to initiative petitions. Specifically, it shall be unlawful for:

- A government of a foreign country or a foreign political party to sponsor an initiative petition;
- A government of a foreign country or a foreign political party to directly or indirectly make contributions in connection with an initiative petition or contributions in support or opposition to an initiative petition;
- An expenditure, independent expenditure, or disbursement for an electioneering communication, whether print, broadcast, or digital media, or otherwise, related to an initiative petition; or
- A person to solicit, accept, or receive a contribution or donation from a government of a foreign country or a foreign political party, in connection with an initiative petition.

#### VOTER APPROVAL THRESHOLD

##### SECTION 51.3

Current law provides that any initiative petition proposing a constitutional amendment shall take effect when approved by a simple majority of the votes cast on the measure. This amendment requires such petitions to receive a majority of the votes cast statewide as well as a majority of the votes cast in at least a majority of the congressional districts.

#### TREATMENT OF ADOPTED INITIATED MEASURES

##### SECTION 54

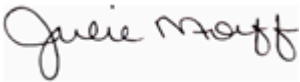
Until three years following the effective date of any statutory measure approved through the initiative petition process, the General Assembly shall not pass any law amending or repealing such measure unless approved by at least four-sevenths of the members serving in each house, less any vacancies. In the event that a court of competent jurisdiction issues a final judgment that declares a law approved by the people through the initiative petition process is unconstitutional or otherwise invalid, in whole or in part, or that otherwise renders the measure inoperable and of no force and effect of law, in whole or in part, the General Assembly may amend or repeal such measure in a manner that is otherwise consistent with the constitution.

If any initiative petition proposing a constitutional amendment that is approved by the people is found by a court of competent jurisdiction to be unconstitutional or otherwise invalid, in whole or in part, the remaining provisions of the measure shall also be invalid.

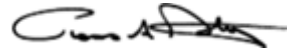
This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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 County Board of Elections  
Greene County Clerk



Julie Morff  
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January 25, 2024



Ross Strobe  
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January 25, 2024