

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6747-01
Bill No.: HJR 100
Subject: General Assembly
Type: Original
Date: April 30, 2018

Bill Summary: This proposal modifies constitutional provisions relating to determination of state congressional districts and lobbyist gifts.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
General Revenue Fund	\$0 or (More than \$7,800,000)	\$0	\$0
Total Estimated Net Effect on General Revenue	\$0 or (More than \$7,800,000)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 7 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2019	FY 2020	FY 2021
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 2019	FY 2020	FY 2021
Local Government*	\$0	\$0	\$0

*Transfer out and transfer net to zero.

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Office of the Secretary of State (SOS)** assume 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 \$7.8 million based on the cost of the 2016 Presidential Preference Primary. This figure was determined through analyzing and totaling expense reports from the 2016 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. Through FY 2013, 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 SOS 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). 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 2019. 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 2018 and the next scheduled general election is in November 2018 (both FY 2019). It is assumed the subject within this proposal could be on one of these ballots; 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 2019.

Officials from the **Missouri Ethics Commission, Missouri Senate, and Missouri House of Representatives** each assume the proposal will have no fiscal impact on their respective organizations.

<u>FISCAL IMPACT - State Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
GENERAL REVENUE FUND			
<u>Transfer Out - SOS - reimbursement of local election authority election costs if a special election is called by the Governor</u>	\$0 or (More than <u>\$7,800,000</u>)	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	\$0 or (More than <u>\$7,800,000</u>)	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2019 (10 Mo.)	FY 2020	FY 2021
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 \$7,800,000	\$0	\$0
<u>Costs</u> - Local Election Authorities - cost of a special election if called for by the Governor	\$0 or (More than <u>\$7,800,000</u>)	<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

Upon voter approval, this proposed Constitutional amendment modifies the criteria for reapportionment of state Senate and House of Representatives districts. In its main provisions, the amendment:

- (1) Requires the use of United States citizens for purposes of the population used in reapportionment;
- (2) Requires that all districts be contiguous in territory with no exceptions;
- (3) Requires districts to be as compact as possible after accounting for county and city lines and geographic boundaries;
- (4) Prohibits reapportionment officials from accepting compensation or any other thing of value for the performance of his or her official duties from any political committee, candidate, corporation, labor union, or other private or public source other than the official compensation that is appropriated by the General Assembly;
- (5) Requires legislative records to be accessible to the public and defines them as open records.

FISCAL DESCRIPTION (continued)

All legislative proceedings, including committee hearings, shall be open meetings accessibly to the public;

(6) Prohibits members of the General Assembly or candidates for the General Assembly from soliciting contributions while on or in any building or property owned, leased, or controlled by the state or any department, agency, or division of the state;

(7) Prohibits any person serving as a member of or employed by the General Assembly from acting as a paid lobbyist, registering as a paid lobbyist, or soliciting lobbyist principals during the time of his or her service until the expiration of two calendar years after the conclusion of the session of the General Assembly in which the member or employee last served. Members or employees cannot accept a gift of any tangible or intangible item, service, or thing of value from any paid lobbyist or lobbyist principal in excess of \$5 per occurrence, or \$100 per year, whichever is less, although this shall not apply to campaign contributions consistent with applicable law or gifts from relatives within the fourth degree by blood or marriage, and these dollar limitations shall increase by 4% per year, rounded to the nearest dollar, or as may be provided by law;

(8) Enacts campaign finance limits that apply to candidates for the General Assembly, to committees that make at least one contribution to a candidate for the General Assembly, and to committees or persons who make at least one expenditure supporting a candidate for the General Assembly. No person shall make, and no candidate shall accept, a contribution to a candidate committee or to a person exploring public office that exceeds \$2500 for the office of Senator or \$2000 for the office of State Representative. These dollar limitations shall increase by 4% per year, rounded to the nearest dollar, or as may be provided by law;

(9) Prohibits a committee or candidate from knowingly accepting anything of value from any foreign government or any natural person who is not a United States citizen, national, or lawfully admitted permanent resident, as defined by federal law; and

(10) Authorizes a legislative leadership committee to be formed by any candidate for the General Assembly.

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

L.R. No. 6747-01
Bill No. HJR 100
Page 7 of 7
April 30, 2018

SOURCES OF INFORMATION

Office of the Secretary of State
Missouri Ethics Commission
Missouri Senate
Missouri House of Representatives

Ross Strope

A handwritten signature in black ink, appearing to read "Ross Strope", with a stylized flourish at the end.

Acting Director
April 30, 2018