COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 2035H.03C Bill No.: HCS for HJR 42 Subject: General Assembly Type: Original Date: February 26, 2021

Bill Summary: This joint resolution modifies term limits for members of the General Assembly.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
	\$0 or (More than		
General Revenue*	\$7,000,000)	\$0	\$0
Total Estimated Net			
Effect on General	\$0 or (More than		
Revenue	\$7,000,000)	\$0	\$0

*The potential fiscal impact of "(More than \$7,000,000)" would be realized only 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 2022	FY 2023	FY 2024
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 2022	FY 2023	FY 2024
Total Estimated Net			
Effect on <u>All</u> Federal			
Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2022	FY 2023	FY 2024
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 2022	FY 2023	FY 2024
Local Government	\$0*	\$0	\$0

*Transfer out and transfer in nets to zero \underline{if} the Governor calls a special election.

L.R. No. 2035H.03C Bill No. HCS for HJR 42 Page **3** of **6** February 26, 2021

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 \$7 million based on the cost of the 2020 Presidential Preference Primary.

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.

In FY19, over \$5.8 million was spent to publish the full text of the measures for the August and November elections. The SOS estimates \$65,000 per page for the costs of publications based on the actual cost incurred for the one referendum that was on the August 2018 ballot.

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, 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.

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 2022. This reflects the decision made by the Joint Committee on Legislative Research that the potential cost of the elections should be shown in the fiscal note. The next scheduled statewide primary election is in August 2022 and the next scheduled general election is in November 2022 (both in FY 2023). It is assumed the subject within this proposal could be on

L.R. No. 2035H.03C Bill No. HCS for HJR 42 Page **4** of **6** February 26, 2021

one of these ballots; 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 2022.

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

FISCAL IMPACT -	FY 2022	FY 2023	FY 2024
State Government	(10 Mo.)		
GENERAL			
REVENUE FUND			
Transfer Out - SOS -			
reimbursement of			
local election			
authority election			
costs if a special			
election is called by	\$0 or (More than		
the Governor	<u>\$7,000,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET			
EFFECT TO THE			
GENERAL	\$0 or (More than	<u>\$0</u>	<u>\$0</u>
REVENUE FUND	<u>\$7,000,000)</u>		

L.R. No. 2035H.03C Bill No. HCS for HJR 42 Page **5** of **6** February 26, 2021

FISCAL IMPACT –	FY 2022	FY 2023	FY 2024
Local Government	(10 Mo.)		
LOCAL			
POLITICAL			
SUBDIVISIONS			
<u>Transfer In</u> - Local			
Election Authorities -			
reimbursement of			
election costs by the			
State for a special	\$0 or More than		
election	\$7,000,000	\$0	\$0
<u>Costs</u> - Local			
Election Authorities -			
cost of a special			
election if called for	\$0 or (More than		
by the Governor	<u>\$7,000,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET			
EFFECT ON			
LOCAL			
POLITICAL			
SUBDIVISIONS	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

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 would limit service in the General Assembly for members elected for the first time on or after December 8, 2022, to 16 years total in any proportion between the two houses of the General Assembly. An existing exemption for service of less than one year for House members, or less than two years for Senate members, serving the term of another person is maintained.

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. 2035H.03C Bill No. HCS for HJR 42 Page **6** of **6** February 26, 2021

SOURCES OF INFORMATION

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

preie mouff

Julie Morff Director February 26, 2021

Cun Af

Ross Strope Assistant Director February 26, 2021