

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5697-01
Bill No.: HJR 55
Subject: Constitutional Amendments; Public Officers
Type: Original
Date: April 11, 2006

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
General Revenue	(\$105,120)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(\$105,120)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 5 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2007	FY 2008	FY 2009
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Labor and Industrial Relations, Missouri Department of Transportation, Missouri Department of Conservation, Missouri House of Representatives, and Missouri Senate** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Joint Committee on Public Employee Retirement (JCP)** state the proposal would not create a “substantial proposed change” in future plan benefits as defined in Section 105.660(5). Therefore, an actuarial cost statement is not required.

Officials from the **Missouri State Employees’ Retirement System (MOS)** state the proposed legislation would, if enacted, submit to qualified voters of Missouri a constitutional amendment to remove existing constitutional language that allows for automatic approval of the schedule of compensation established by the Missouri Citizen’s Commission on Compensation for all elected state officials, members of the general assembly, and judges unless disapproved by a concurrent resolution adopted by the general assembly. Additionally, restrictive language stating “subject to appropriations” has been removed from existing law. New provisions are proposed that would disqualify any public official convicted in any court of a felony which occurred while in office or who has been removed from office for misconduct or impeachment from receiving any pension from the state of Missouri. Lastly, language has been incorporated into the proposal that would restrict any member of the House of Representatives or any member of the Senate in office in 2006 from receiving any salary increases while serving in such office.

ASSUMPTION (continued)

The net effect of these changes would result in the schedule of compensation automatically becoming effective for elected officials and judges the first day of July following filing of the schedule; however, any current legislator would not receive a salary adjustment while serving in such office. It is assumed that this salary restriction would not apply to future legislators elected to office after 2006.

The MOS assumes the proposal would have a negligible fiscal impact, but will affect retirement benefits.

Officials from the **Kansas City Board of Elections (KCEB)** state the cost to the state for an election to amend the constitution only entails legal notice fees. Those costs have been running from \$3,600 to \$9,000 for the KCEB's jurisdiction.

Oversight assumes the minimal cost incurred by the KCEB indicates minimal costs for other local election authorities. **Oversight** further assumes these costs can be absorbed within current funding levels.

Officials from the **Office of Secretary of State (SOS) - Division of Elections** provide that statewide newspaper publication of state statutes cost approximately \$1,752 per column inch based on the estimate provided by the Missouri Press Service times three (3) for multiple printings as required by the Constitution and state statute, or \$5,256 per column inch (\$1,752 X 3). The estimated total number of inches for this amendment is 20 inches, which includes title header and certification paragraph. Therefore, the estimated cost of this proposal is \$105,120 (\$5,256 X 20 inches).

If a special election is called for this purpose, rather than being voted on at a general election, the cost of the special election is estimated to be \$1.2 million based on the cost of the past two such elections.

<u>FISCAL IMPACT - State Government</u>	FY 2007 (10 Mo.)	FY 2008	FY 2009
GENERAL REVENUE FUND			
<u>Costs - Office of Secretary of State</u>			
Election notice publication costs	<u>(\$105,120)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON GENERAL REVENUE FUND	<u><u>(\$105,120)</u></u>	<u><u>\$0</u></u>	<u><u>\$0</u></u>

FISCAL IMPACT - Local Government

FY 2007
(10 Mo.)

FY 2008

FY 2009

\$0

\$0

\$0

FISCAL IMPACT - Small Business

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

DESCRIPTION

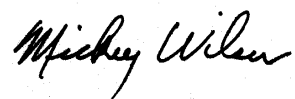
Proposes a constitutional amendment prohibiting a public official convicted of a felony or removed for misconduct from receiving a pension from the state of Missouri.

No member of the House of Representatives or the Senate in office in 2006 is eligible for any salary increase while serving in such office.

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

Department of Labor and Industrial Relations
Missouri Department of Transportation
Joint Committee on Public Employee Retirement
Missouri Department of Conservation
Missouri House of Representatives
Missouri State Employee Retirement System
Missouri Senate
Office of Secretary of State -
Division of Elections
Kansas City Board of Elections



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