COMMITTEE ON LEGISLATIVE RESEARCH OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.:0517-04Bill No.:HCS for HJR 15Subject:Constitutional Amendments; Firearms and FireworksType:OriginalDate:April 18, 2013

Bill Summary: This proposal specifies that the right of every citizen to possess or purchase ammunition for the proper functioning of arms must not be infringed.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND				
FUND AFFECTED	FY 2014	FY 2015	FY 2016	
General Revenue	\$0 or (More than \$7,100,000)	\$0 or (Unknown)	\$0 or (Unknown)	
Total Estimated Net Effect on General Revenue Fund	\$0 or (More than \$7,100,000)	\$0 or (Unknown)	\$0 or (Unknown)	

ESTIMATED NET EFFECT ON OTHER STATE FUNDS				
FUND AFFECTED	FY 2014	FY 2015	FY 2016	
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0	

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 6 pages.

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ESTIMATED NET EFFECT ON FEDERAL FUNDS				
FUND AFFECTED	FY 2014	FY 2015	FY 2016	
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0	

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)				
FUND AFFECTED	FY 2014	FY 2015	FY 2016	
Total Estimated Net Effect on FTE	0	0	0	

□ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

□ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS				
FUND AFFECTED	FY 2014	FY 2015	FY 2016	
Local Government	\$0	\$0	\$0	

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FISCAL ANALYSIS

ASSUMPTION

According to officials from the **Office of the Secretary of State (SOS)**, 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.

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 Secretary of State's office 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. 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 2013, at the August and November elections, there were 5 statewide Constitutional Amendments or ballot propositions that cost \$2.17 million to publish (an average of \$434,000 per issue). Therefore, the SOS assumes, for the purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements. However, because these requirements are mandatory, the SOS reserves the right to request funding to meet the cost of our publishing requirements if the Governor and the General Assembly change the amount or eliminate the estimated nature of our appropriation.

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 \$7.1 million based on the cost of the 2012 Presidential Preference Primary.

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 2014. This reflects the decision made by the Joint Committee on Legislative Research, that the potential cost of elections should be reflected in the fiscal note. The next scheduled general election is in November 2014 (FY 2015). It is assumed the subject within this proposal could be on that ballot; however, it could also be on a special election called for by the Governor.

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ASSUMPTION (continued)

Therefore, Oversight will reflect a potential election cost reimbursement to local political subdivisions in FY 2014.

According to officials from the **Attorney General's Office (AGO)**, the proposal specifies that the state is "obligated to uphold" and cannot "decline to protect" certain rights. Significant litigation may ensue if this requires the AGO to bring suit, particularly if it is required to represent individual Missourians. The costs are unknown.

Oversight will range the potential fiscal impact to the AGO as \$0 (either the amendment is defeated by voters or 'significant litigation' does not ensue) to the unknown costs stated.

Officials from the **Department of Public Safety - Missouri Highway Patrol** assume no fiscal impact from the proposal.

ESTIMATED NET EFFECT TO THE GENERAL REVENUE FUND	<u>\$0 or (More</u> <u>than</u> <u>\$7,100,000)</u>	<u>\$0 or</u> (Unknown)	<u>\$0 or</u> (Unknown)
<u>Transfer Out</u> - Office of the Secretary of State - reimbursement of local election authorities for election costs if special election called by the Governor	\$0 or (More than <u>\$7,100,000)</u>	<u>\$0</u>	<u>\$0</u>
<u>Costs</u> - Office of the Attorney General potential litigation expenses	\$0	\$0 or (Unknown)	\$0 or (Unknown)
FISCAL IMPACT - State Government GENERAL REVENUE	FY 2014 (10 Mo.)	FY 2015	FY 2016

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FISCAL IMPACT - Local Government LOCAL ELECTION AUTHORITIES	FY 2014 (10 Mo.)	FY 2015	FY 2016
<u>Transfer In</u> - Cost reimbursement from the State for special election	\$0 or More than \$7,100,000	\$0	\$0
Expense - Cost for special election	<u>\$0 or (More</u> <u>than</u> <u>\$7,100,000)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT TO LOCAL ELECTION AUTHORITIES	<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

This proposed constitutional amendment, if approved by voters, specifies that the right of every citizen to possess, purchase, reload, or manufacture ammunition and any other parts or articles essential to the proper functioning of arms must not be infringed nor the amounts limited and that no state tax or charge in excess of that imposed by law on retail sales of tangible personal property nor federal tax or charge can be imposed on the purchase, possession, or manufacture of the ammunition or parts.

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

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SOURCES OF INFORMATION

Office of the Secretary of State Attorney General's Office Department of Public Safety

Curo Adde

Ross Strope Acting Director April 18, 2013

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