

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 4009-01  
Bill No.: HJR 76  
Subject: Elections; Ethics; Redistricting  
Type: Original  
Date: January 21, 2020

---

Bill Summary: This proposal proposes constitutional amendments relating to lobbying, redistricting, and the sunshine law.

**FISCAL SUMMARY**

| <b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>          |   |                        |                        |
|--|---|------------------------|------------------------|
| FUND AFFECTED  | FY 2021                                   | FY 2022                | FY 2023                |
| General Revenue  | \$0 or (More than<br>\$7,821,070)         | \$0 or \$95,178        | \$0 or \$94,742        |
| <b>Total Estimated<br/>Net Effect on<br/>General Revenue</b> | <b>\$0 or (More than<br/>\$7,821,070)</b> | <b>\$0 or \$95,178</b> | <b>\$0 or \$94,742</b> |

| <b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>                      |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2021    | FY 2022    | FY 2023    |
|   |            |            |            |
|   |            |            |            |
| <b>Total Estimated<br/>Net Effect on <u>Other</u><br/>State Funds</b> | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

Numbers within parentheses: ( ) indicate costs or losses.

This fiscal note contains 8 pages.

| <b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>                  |            |            |            |
|---|------------|------------|------------|
| FUND AFFECTED   | FY 2021    | FY 2022    | FY 2023    |
|   |            |            |            |
|   |            |            |            |
| <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> |                           |                           |                           |
|---|---------------------------|---------------------------|---------------------------|
| FUND AFFECTED   | FY 2021                   | FY 2022                   | FY 2023                   |
| General Revenue   | 0 or <1 FTE>              | 0 or <1 FTE>              | 0 or <1 FTE>              |
|   |                           |                           |                           |
| <b>Total Estimated Net Effect on FTE</b>                  | <b>0 or &lt;1 FTE&gt;</b> | <b>0 or &lt;1 FTE&gt;</b> | <b>0 or &lt;1 FTE&gt;</b> |

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

| <b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b> |            |            |            |
|--|------------|------------|------------|
| FUND AFFECTED                              | FY 2021    | FY 2022    | FY 2023    |
| <b>Local Government*</b>                   | <b>\$0</b> | <b>\$0</b> | <b>\$0</b> |

\* Possible transfer out and transfer in net to zero, if put before the voters at a special election

## **FISCAL ANALYSIS**

### **ASSUMPTION**

Officials from the **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, §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.

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. 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 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.

**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 2021. This reflects the decision made by the Joint Committee on Legislative Research, that

ASSUMPTION (continued)

the cost of the elections should be shown in the fiscal note. The next scheduled statewide primary election is in August 2020 and the next scheduled general election is in November 2020 (FY 2021 for both). 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 (on a different date). Therefore, Oversight will reflect a potential election cost reimbursement to local political subdivisions in FY 2021.

Officials from the **Missouri Ethics Commission** assume the proposal will have no fiscal impact on their organization. However, if the Commission identifies significant violations during the process established in Section 105.955.14 (2), (3), RSMo, or complaints received increase significantly an Investigator would be required to provide proper oversight. The Commission can, upon finding probable cause a violation exists recommend or agree to monetary penalties as established in 105.961.4, RSMo. The penalties received by the Commission in enforcement actions are forwarded to the appropriate school district.

Officials from the **Office of Administration (OA) - ITSD** assume that OA will provide the support for the “Redistricting Public Comment Portal” website established for the bipartisan citizens commission. Services will be required at a cost of \$21,070 in FY 2021, \$4,822 in FY 2022, and \$5,258 in FY 2023 to implement these changes.

**Oversight** notes currently, state demographic information is published on OA’s website (oa.mo.gov). If the responsibility for establishing and maintaining the website would fall to another office, such as an office tied to the Missouri Legislature, and not OA, the estimated fiscal impact would shift from OA to that office.

Oversight notes that the proposal is not clear to which department or office is responsible for establishing and maintaining the website. Therefore, Oversight will reflect a zero or cost estimates provided by OA-ITSD on the fiscal note.

**Oversight** notes the Nonpartisan State Demographer position will be eliminated if this joint resolution passes. The Office of Administration lists the annual salary range for a State Demographer as \$52,332 - \$83,436. Oversight notes the following savings (salary plus fringe) to the state would be realized if the Nonpartisan State Demographer is not filled.

|                           | Annual Salary | Fringe Benefits | Total Savings |
|---------------------------|---------------|-----------------|---------------|
| Low Range                 | \$52,332      | \$29,073        | \$81,928      |
| High Range                | \$83,436      | \$39,506        | \$123,776     |
| Salary to reach \$100,000 | \$66,000      | \$33,658        | \$100,658     |

ASSUMPTION (continued)

**Oversight** also notes this joint resolution would place the responsibilities of the Nonpartisan State Demographer with the house independent bipartisan citizens commission and the senate independent bipartisan citizens commission. Oversight assumes the new independent commissions will incur (and be reimbursed) expenses in redistricting years. Oversight will assume reimbursed expenses of less than \$100,000 in FY 2021 for these commissions.

**Oversight** will range the potential fiscal impact of not hiring (savings) a Nonpartisan State Demographer as \$100,000 for each year, dependent upon the joint resolution being passed by voters. Oversight will also reflect the possibility of reimbursing the commissions of Less than \$100,000 in FY 2021 for their service.

Officials from the **Missouri Senate, Office of the Governor, Missouri House of Representatives, State Auditor's Office, Department of Labor and Industrial Relations, and Office of State Courts Administrator** each all assume the proposal will have no fiscal impact on their respective organizations.

**Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note for these agencies.

| <u>FISCAL IMPACT - State Government</u>   | FY 2021<br>(10 Mo.)                                   | FY 2022                       | FY 2023                       |
|---|---|-------------------------------|-------------------------------|
| <b>GENERAL REVENUE FUND</b>   |   |                               |                               |
| <u>Savings</u> - if the joint resolution is passed by voters, the Nonpartisan State Demographer position is eliminated                      | \$0 or<br>\$100,000                                   | \$0 or<br>\$100,000           | \$0 or<br>\$100,000           |
| <u>Costs</u> - of independent bipartisan citizens commission (if passed by voters)  | \$0 or (Less than<br>\$100,000)                       | \$0                           | \$0                           |
| <u>Cost</u> - OA - ITSD - redistricting public comment portal   | \$0 or (\$21,070)                                     | \$0 or (\$4,822)              | \$0 or (\$5,258)              |
| <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<br>than<br>\$7,800,000)                  | <u>\$0</u>                    | <u>\$0</u>                    |
| <b>ESTIMATED NET EFFECT TO THE<br/>GENERAL REVENUE FUND</b>   | <b>\$0 or (More<br/>than<br/>(<u>\$7,821,070</u>)</b> | <b><u>\$0 or \$95,178</u></b> | <b><u>\$0 or \$94,742</u></b> |
| Estimated Net FTE Change for General Revenue Fund   | <u>0 or &lt;1 FTE&gt;</u>                             | <u>0 or &lt;1 FTE&gt;</u>     | <u>0 or &lt;1 FTE&gt;</u>     |
| <u>FISCAL IMPACT - Local Government</u>   | FY 2021<br>(10 Mo.)                                   | FY 2022                       | FY 2023                       |
| <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<br>than<br>\$7,800,000                    | \$0                           | \$0                           |
| <u>Costs</u> - Local Election Authorities - cost of a special election <b>if</b> called for by the Governor                                 | \$0 or (More<br>than<br><u>\$7,800,000</u> )          | <u>\$0</u>                    | <u>\$0</u>                    |
| <b>ESTIMATED NET EFFECT ON<br/>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

Upon voter approval, this proposed Constitutional amendment modifies laws pertaining to the influence of special interest groups on the state legislature. In its main provisions, the resolution:

- (1) Repeals an existing exception to the lobbyist gift ban for members of the General Assembly that allows small gifts of under \$5.00 so that no gifts from lobbyists or lobbyist principals to members of the General Assembly will be allowed and sets campaign finance limits for state Senators or their candidate committees at \$2,000 per General Assembly election;
- (2) Repeals provisions relating to the use of a nonpartisan state demographer to draw redistricting maps using mathematical formulas based on partisan fairness and competitiveness;
- (3) Creates separate House and Senate independent bipartisan citizens commissions to draw redistricting maps beginning 60 days after the annual census report;
- (4) Establishes redistricting criteria;
- (5) Specifies a procedure for gubernatorial appointment of six member House and Senate bipartisan redistricting committees;
- (6) Requires the bipartisan committees to meet within 15 days, excluding Sundays and state holidays, of appointment to select officers, adopt an agenda, and file a tentative plan of apportionment and map with the Secretary of State within five months after appointment. Public hearings will be held after filing and a final map will be filed within six months of appointment which must be approved by seven-tenths of the commission members;
- (7) Specifies that a panel of appellate judges will create a redistricting map if a bipartisan commission fails to agree by the requisite seven-tenths vote. Deadlines and requirements for the map are further specified in the resolution; and
- (8) Requires the bipartisan commissions to establish a "Redistricting Public Comment Portal", to accept comments, maps, or other communications from the general public or interested parties.

FISCAL DESCRIPTION (continued)

Submissions to the portal must disclose whether the entity making the submission was responsible for its content and whether or not the submission was funded by contributors. If a submission was funded, then the identity of the contributors shall be disclosed.

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 Ethics Commission  
Office of Administration-ITSD  
Missouri Senate  
Office of the Governor  
Missouri House of Representatives  
State Auditor's Office  
Department of Labor and Industrial Relations  
Office of State Courts Administrator



Julie Morff  
Director  
January 21, 2020



Ross Strobe  
Assistant Director  
January 21, 2020