

MISSOURI STATE AUDITOR'S OFFICE FISCAL NOTE (10-23)

Subject

Initiative petition from Ron Calzone regarding a proposed amendment to Chapter 116 of the Revised Statutes of Missouri. (Received December 27, 2010)

Date

January 10, 2011

Description

This proposal would amend Chapter 116 of the Revised Statutes of Missouri.

The amendment is to be voted on in November, 2012.

Public comments and other input

The State Auditor's office requested input from the **Attorney General's office**, the **Department of Agriculture**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Higher Education**, the **Department of Health and Senior Services**, the **Department of Insurance**, **Financial Institutions and Professional Registration**, the **Department of Mental Health**, the **Department of Natural Resources**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Revenue**, the **Department of Public Safety**, the **Department of Social Services**, the **Governor's office**, the **Missouri House of Representatives**, the **Department of Conservation**, the **Department of Transportation**, the **Office of Administration**, the **Office of State Courts Administrator**, the **Missouri Senate**, the **Secretary of State's office**, the **Office of the State Public Defender**, the **State Treasurer's office**, **Callaway County**, **Cole County**, **Jackson County Legislators**, **St. Charles County**, **St. Louis County**, the **City of Jefferson**, the **City of Kansas City**, the **City of St. Joseph**, the **City of St. Louis**, the **City of West Plains**, **Cape Girardeau 63 School District**, **Hannibal 60 School District**, **Rockwood R-VI School District**, **Linn State Technical College**, **Metropolitan Community College**, **University of Missouri**, **St. Louis Community College**, the **State Tax Commission**.

Assumptions

Officials from the **Attorney General's office** indicated that they assume that the implementation of this proposal creates no fiscal impact. However, they assume that because this proposal has the potential to be the subject of state litigation, potential costs are unknown.

Officials from the **Department of Economic Development** indicated this proposal will have no fiscal impact for their department.

Officials from the **Department of Higher Education** indicated that the proposal contained in this initiative petition would have no direct, foreseeable fiscal impact on their department.

Officials from the **Department of Insurance, Financial Institutions and Professional Registration** indicated that this petition, if passed, will have no cost or savings to their department.

Officials from the **Department of Mental Health** indicated this proposed initiative petition should have no fiscal impact to their department.

Officials from the **Department of Natural Resources** indicated they would not anticipate a direct fiscal impact from this initiative petition.

Officials from the **Department of Revenue** indicated this initiative petition will have no fiscal impact on their department.

Officials from the **Missouri House of Representatives** indicated this proposed initiative petition has no fiscal impact to the operations budget of their agency.

Officials from the **Department of Conservation** indicated that no adverse fiscal impact to their department would be expected as a result of this proposal.

Officials from the **Office of Administration (OA)** indicated there should be no added costs or savings to their office.

Officials from the **Office of State Courts Administrator** indicated there is no cost to the courts for this initiative petition.

Officials from the **Secretary of State's office** indicated their 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. 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 fiscal year 2011, at the August and November elections, there were 6 statewide Constitutional Amendments or ballot propositions that cost \$1.02 million to publish (an average of \$170,000 per issue). Therefore, the Secretary of State's office assumes, for the

purposes of this fiscal note, that it should have the full appropriation authority it needs to meet the publishing requirements.

Additionally, this petition would provide proponents of a petition 30 days after the issuance of a certificate of sufficiency or insufficiency to "reclaim" voters' signatures deemed invalid by the local election authority. In 2012, the Secretary of State must issue certificates of sufficiency or insufficiency by August 7, 2012 (RSMo 116.150). Also, the Secretary of State must certify all ballot measures to the local election authorities by August 28, 2012 (RSMo 116.240). These deadlines allow time for the local election authorities to have their ballots printed in a timely manner for absentee balloting. The passage of this bill would create challenges to meeting the statutory deadlines.

If this petition is passed, there would be increased personnel costs required to verify the invalid signatures challenged by the proponent of the petition. Based on the 2010 petition cycle, 141,103 signatures were deemed invalid for four submitted petitions. Assuming 2 minutes to verify each signature and \$15 per hour for staff, the personnel cost could be up to \$70,545.

$141,103 \text{ invalid signatures} \times 2 \text{ minutes to verify} = 282,206 \text{ minutes}$

$282,206 \text{ minutes} / 60 \text{ min} = 4,703 \text{ hours}$

$4,703 \text{ hours} \times \$15/\text{hr} = \$70,545$

If this petition is passed, additional personnel would be needed to process petitions submitted to the Secretary of State's office that will be required to be organized in "substantial compliance" with the law in order to distribute pages to the appropriate local election authority for signature verification. Based on the 2010 petition cycle, this could cost up to \$5,520.

$6 \text{ folders per hr} \times 8 \text{ hrs day} = 48 \text{ folders per day}$

$276 \text{ folders per petition} / 48 \text{ folders per day} = 46 \text{ hours per petition}$

$46 \text{ hrs} \times 2 \text{ staff members} \times \$15.00 = \$1,380 \text{ per petition}$

$\$1,380 \times 4 \text{ petitions} = \$5,520$

Finally, there could be an increased costs of \$1,085,139 for local election authorities if ballots need to be reprinted.

$3,091,565 \text{ ballots cast in 2008 General Election} \times 1.3^* = 4,019,034 \text{ ballots}$

$4,019,034 \text{ ballots} \times \$0.27 \text{ per ballot} = \$1,085,139$

*RSMo 115.247.3 requires one and one-third of the ballots cast in the previous election

Officials from the **Office of the State Public Defender** indicated this initiative petition will not have any significant impact on their office.

Officials from the **City of Jefferson** indicated the city estimates no fiscal impact if this ordinance becomes law.

Officials from **Rockwood R-VI School District** indicated that no cost or savings are anticipated from this initiative.

Officials from **Linn State Technical College** indicated that based on the information presented, there appears to be no fiscal impact to their college.

Officials from **Metropolitan Community College** indicated this petition would have no fiscal impact on their college.

The State Auditor's office did not receive a response from the **Department of Agriculture**, the **Department of Elementary and Secondary Education**, the **Department of Health and Senior Services**, the **Department of Corrections**, the **Department of Labor and Industrial Relations**, the **Department of Public Safety**, the **Department of Social Services**, the **Governor's office**, the **Department of Transportation**, the **Missouri Senate**, the **State Treasurer's office**, **Callaway County**, **Cole County**, **Jackson County Legislators**, **St. Charles County**, **St. Louis County**, the **City of Kansas City**, the **City of St. Joseph**, the **City of St. Louis**, the **City of West Plains**, **Cape Girardeau 63 School District**, **Hannibal 60 School District**, **University of Missouri**, **St. Louis Community College**, the **State Tax Commission**.

Fiscal Note Summary

State government would incur estimated costs of up to \$76,000 and could incur other unknown potential litigation costs. Local election authorities could incur estimated costs exceeding \$1 million if ballot reprinting would be necessary.