

**MISSOURI STATE AUDITOR'S OFFICE
FISCAL NOTE (20-102)**

Subject

Initiative petition from Winston Apple regarding a proposed constitutional amendment to Article III. (Received July 25, 2019)

Date

August 14, 2019

Description

This proposal would amend Article III of the Missouri Constitution.

The amendment is to be voted on in November 2020.

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**, **Adair County**, **Boone County**, **Callaway County**, **Cass County**, **Clay County**, **Cole County**, **Greene County**, **Jackson County**, **Jasper County**, **St. Charles County**, **St. Louis County**, **Taney County**, the **City of Cape Girardeau**, the **City of Columbia**, the **City of Jefferson**, the **City of Joplin**, the **City of Kansas City**, the **City of Kirksville**, the **City of Mexico**, the **City of Raymore**, the **City of St. Joseph**, the **City of St. Louis**, the **City of Springfield**, the **City of Union**, the **City of Wentzville**, the **City of West Plains**, **Cape Girardeau 63 School District**, **Hannibal 60 School District**, **Malta Bend R-V School District**, **Mehlville School District**, **Wellsville-Middletown R-1 School District**, **State Technical College of Missouri**, **Metropolitan Community College**, **University of Missouri**, **St. Louis Community College**, the **St. Louis County Board of Elections**, the **Board of Election Commissioners City of St. Louis**, the **Kansas City Board of Election Commissioners**, the **Platte County Board of Elections**, the **Jackson County Election Board**, the **Clay County Board of Election Commissioners**.

Assumptions

Officials from the **Attorney General's office** indicated they expect that, to the extent that the enactment of this proposal would result in increased litigation, they can absorb the costs associated with that increased litigation using existing resources. However, if the enactment of this proposal were to result in substantial additional litigation, they may request additional appropriations.

Officials from the **Department of Agriculture** indicated no fiscal impact on their department.

Officials from the **Department of Economic Development** indicated no impact to their department.

Officials from the **Department of Elementary and Secondary Education** indicated this legislation does not impact their department.

Officials from the **Department of Health and Senior Services** indicated this initiative petition has no impact on their department.

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

Officials from the **Department of Mental Health** indicated this proposal creates no direct obligations or requirements to their department that would result in a fiscal impact.

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

Officials from the **Department of Corrections** indicated no fiscal impact.

Officials from the **Department of Labor and Industrial Relations** indicated this initiative petition does not appear to have a fiscal impact on their department.

Officials from the **Department of Revenue** indicated this initiative petition will not have a fiscal impact on their department.

Officials from the **Department of Public Safety - Office of the Director** indicated they see no fiscal impact due to this initiative petition.

Officials from the **Department of Social Services** indicated they do not anticipate a fiscal impact as a result of this petition.

Officials from the **Governor's office** indicated there should be no added costs or savings to their office.

Officials from the **Missouri House of Representatives** indicated:

This initiative petition's impact will not be realized until fiscal year (FY) 23 (102nd General Assembly). The estimated annual savings from the reduction of 3 members (8 congressional districts x 20 = 160) in today's values is \$253,021. The impact to FY 23, given a start date in the middle of the fiscal year, would include only half the salaries of the three members and legislative assistants and half the expense account funding as well (so \$142,299).

Member salary = 3 x \$35,915 = \$107,745

Member expense accounts = 3 x \$8,400 = \$25,200

Session mileage = 3 x 267 (average weekly roundtrip mileage) x .43 x 19 (weeks of session) = \$6,544

Session per diem = 3 x \$119.20 x 70 (days of session) = \$25,032

Legislative Assistant salary = 3 x \$29,500 = \$88,500.

TOTAL = \$253,021

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

Officials from the **Department of Transportation** indicated this initiative petition is anticipated to have no fiscal impact to their department/Missouri Highways and Transportation Commission.

Officials from the **Office of Administration** indicated this proposal amends Article III of the Missouri Constitution by repealing Sections 10 and 14 and amending Sections 3, 5, 6, 7, 9, 11 and 20(d).

The proposed amendment would:

- Amend Section 3 by:
 - Removing language relating to the establishment of the post of non-partisan state demographer;
 - Removing provisions concerning the number of State House members (163);
 - Requiring that the House of Representatives consist of twenty members from each of the State's Congressional districts; and
 - Removing language creating the House and Senatorial Apportionment Commissions.
- Amend Section 5 by:
 - Removing the requirement for senatorial districts; and
 - Striking the language voters of the "districts" and adding voters of the "state."
- Amend Section 6 by adding the requirement that state senatorial candidates be a resident of the State and changing the minimum duration from three years to two.

- Amend Section 7 by:
 - Striking all of the language referring to the drawing of legislative districts; and
 - Adding language that changes the election process and process to fill vacancies for State Representatives and Senators.
- Amend Section 9 by adding language starting the new election process in the year 2022 and requiring twenty House members be elected from each U.S. Congressional district.
- Repeal Section 10, which requires that Census data be used in redistricting and which allows that "districts may be altered from time to time as public convenience may require."
- Amend Section 11 by adding language making clear that the Senate will have two classes with staggered elections beginning in the year 2022.
- Repeal Section 14, which grants the Governor the authority to issue writs of election to fill vacancies in either house of the general assembly.
- Amend Section 20(d) by adding Sections 5, 6, 9 and 11 to the list of applicable sections of Article III.

This proposal should not impact their office.

Officials from the **Office of State Courts Administrator** indicated there is no fiscal impact on the courts.

Officials from the **Missouri Senate** indicated they anticipate no fiscal impact.

Officials from the **Secretary of State's office** indicated petition 2020-102 would change the composition of the General Assembly and cause representatives to be elected by congressional district and senators on a statewide basis. At each primary election, voters would see a list of all representative candidates in their congressional district and a list of all senate candidates from the state, with the ability to vote for one candidate from each list. This consolidation into congressional districts may incur the following costs:

Re-programming voting machines: Voting machines in Missouri are currently programmed to accept only single-page ballots – each of these machines would need to be reprogrammed to accept multiple-page ballots due to the potential for large numbers of candidates to file for each congressional district's seats (at both the primary and general elections).

Postage Costs: mailing envelopes used to return absentee ballots are printed with business reply permits – pursuant to RSMo 115.285. Local Election Authorities are reimbursed for these costs by the Missouri Secretary of State's Office at a current cost of \$1.80 per envelope based on the current size and weight of the envelope and ballot; multiple-page ballots would increase these costs.

Ballot printing costs: Local Election Authorities bear the cost of printing ballots for each election – paying to print multiple page ballots would substantially increase printing costs.

Due to situational variables, it is not possible to determine a concrete amount of fiscal impact to this measure. However, the costs to the state and to local election authorities could be significant.

Unless a special election is called for the purpose, Referendums are submitted to the people at the next general election. Article III section 52(b) of the Missouri Constitution authorizes the general assembly to order a special election for measures referred to the people. If a special election is called to submit a Referendum 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 \$7.8 million based on the cost of the 2016 Presidential Preference Primary.

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. 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 fiscal year (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. They estimate \$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.

Their 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, they reserve the right to request funding to meet the cost of their publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

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 **State Treasurer's office** indicated no fiscal impact to their office.

Officials from **Greene County** indicated there are no estimated costs or savings to report from their county for this initiative petition.

Officials from the **City of Kansas City** indicated this initiative petition will have no fiscal impact on their city.

Officials from **Wellsville-Middletown R-1 School District** indicated they do not see a fiscal impact of this petition specific to their school; however, it does look like it will cost the state as a whole some money, which has the potential to impact all state funded services.

Officials from **Metropolitan Community College** indicated no impact.

Officials from the **St. Louis County Board of Elections indicated** they estimate this petition to have a fiscal note of about \$30,000. They would have to upgrade their election software to include a system for ranked-choice voting, and they predict this would cost the above amount.

Officials from **Platte County Board of Elections** indicated they expect no fiscal impact from the petition.

The State Auditor's office did not receive a response from the **Department of Higher Education, Adair County, Boone County, Callaway County, Cass County, Clay County, Cole County, Jackson County, Jasper County, St. Charles County, St. Louis County, Taney County, the City of Cape Girardeau, the City of Columbia, the City of Jefferson, the City of Joplin, the City of Kirksville, the City of Mexico, the City of Raymore, the City of St. Joseph, the City of St. Louis, the City of Springfield, the City of Union, the City of Wentzville, the City of West Plains, Cape Girardeau 63 School District, Hannibal 60 School District, Malta Bend R-V School District, Mehlville School District, State Technical College of Missouri, University of Missouri, St. Louis Community College, the Board of Election Commissioners City of St. Louis, the Kansas City Board of Election Commissioners, the Jackson County Election Board, the Clay County Board of Election Commissioners.**

Fiscal Note Summary

State government legislative operating costs are estimated to decrease by approximately \$250,000 annually. State and local governments could incur additional election-related costs that could be significant, including at least \$30,000 in one-time costs and ongoing costs of an unknown amount.