

**MISSOURI STATE AUDITOR'S OFFICE
FISCAL NOTE (20-SJR 38)**

Subject

Senate Substitute No. 3 for Senate Joint Resolution No. 38. (Received May 28, 2020)

Date

June 17, 2020

Description

This proposal would amend Article III of the Constitution of Missouri.

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 and Workforce Development**, the **Department of Health and Senior Services**, the **Department of Commerce and Insurance**, 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**, **Missouri Ethics Commission**, and the **State Auditor's office**.

George Butler provided information to the State Auditor's office.

Rebecca Now, Executive Director, Webster Groves/Shrewsbury/Rock Hill Area Chamber of Commerce provided information to the State Auditor's office.

David Kimball, Professor of Political Science, University of Missouri-St. Louis provided information to the State Auditor's office.

Andrew Bergerson and Jared Wight provided information to the State Auditor's office.

Len Pagano, Mayor, City of St. Peters provided information to the State Auditor's office.

Jean Dugan, League of Women Voters of Missouri provided information to the State Auditor's office.

David Roberts provided information to the State Auditor's office.

W. Craig Hosmer, Hosmer King & Royce, LLC provided information to the State Auditor's office.

Tommie L. Pierson, Sr. provided information to the State Auditor's office.

Dan Vicuna, National Redistricting Manager, Common Cause provided information to the State Auditor's office.

Barry Greenberg, Mayor, City of Maplewood provided information to the State Auditor's office.

Sean Soendker Nicholson provided information to the State Auditor's office.

Caroline Fan, Chief Strategy Officer, USAKO Group provided information to the State Auditor's office.

Otto Fajen, Legislative Director, Missouri National Education Association provided information to the State Auditor's office.

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 expect that their office could 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 be required to 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 no fiscal impact to their department.

Officials from the **Department of Higher Education and Workforce Development** indicated no fiscal impact.

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

Officials from the **Department of Commerce and Insurance** indicated this Senate Joint Resolution, 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 they anticipate no fiscal impact for this fiscal note.

Officials from the **Department of Revenue** indicated no impact.

Officials from the **Department of Public Safety - Office of the Director** indicated no impact for their office.

Officials from the **Department of Social Services** indicated this does not fiscally impact their department.

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 no fiscal impact.

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 proposal would have no projected 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 amending Sections 2, 3, and 7.

The proposed amendment would:

- Amend Section 2 by:
 - Disallowing persons that are members of or employed by the General Assembly from accepting gifts from a lobbyist valued at \$5 and under;
 - Reducing campaign contributions to Missouri State Senate candidates from \$2,500 to \$2,400; and
 - Removing inflationary adjustments to campaign contribution limits for Missouri State Senate and House of Representative candidates.
- Amend Section 3 by:
 - Removing language relating to the establishment of the post of non-partisan state demographer; and
 - Creating a House Independent Bipartisan Citizens Commission to redistrict the Missouri House of Representatives and outlining how the redistricting process shall take place.
- Amend Section 7 by:
 - Creating a Senate Independent Bipartisan Citizens Commission to redistrict the Missouri Senate and outlining how the redistricting process shall take place.

This 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 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, 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. Their 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 (FYs) and \$100,000 appropriated in even numbered fiscal years to meet these requirements. Through FY 2013, the appropriation had 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 2015, the General Assembly changed the appropriation so that it was no longer an estimated appropriation. In FY 2017 their office was appropriated \$2.6 million to publish the full text of the measures. In FY 2017, at the August and November elections, there were 6 statewide Constitutional Amendments or ballot propositions that cost \$2.4 million to publish (an average of \$400,000 per issue). 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 TAFP (Truly Agreed and Finally Passed) Senate Substitute No. 3 for Joint Resolution No. 38 regarding redistricting the House of Representatives and the Senate maps 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 SS No. 3 for SJR No. 38 proposing to amend Article III.

Officials from **Jackson County** indicated:



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June 6, 2020

Auditor Galloway:

SJR38 would have a significant fiscal impact on local governments and small businesses in Missouri if the population standard for state legislative maps is changed from using total population to a citizen voting-age population or eligible voter standard.

SJR38 Sponsor Dan Hegeman indicated on the Senate floor on January 29, 2020 that the intention of Section 3(a)(b)(1) in SJR38 (Page 4, Lines 43-54) is to move the state of Missouri away from using total population for state legislative maps, and instead use a new population standard when drawing state legislative plans based on "the people that are able to vote."

Sometimes referred to as a citizen voting-age population (CVAP) standard, such a move would be a radical departure from the standard Missouri has used for at least 145 years. Drawing maps on anything other than the total population of Missouri would also be a departure from current practice in the United States. Right now, every state in America counts everyone for redistricting purposes.

The Census Bureau's 5-Year American Community Survey indicates that 185,665 Jackson County residents¹ — more than 1 in 4 of our neighbors and family members — would lose representation if maps are drawn using an eligible voter standard. Jackson County provides services to everyone in our community, and not counting everyone in Jackson County would have a significant impact on who and how our residents are represented in the General Assembly.

¹ Citizen Voting Age Population Special Tabulation from the 2018 5-Year American Community Survey

Underrepresented constituents receive less funding. This is common sense, and is documented in academic research. See, for instance, research by Stephen Ansolabehere, Alan Gerber and Jim Snyder on the "clear evidence of the political consequences of unequal representation,"² and work from Tiberiu Dragu and Jonathan Rodden demonstrating that "overrepresented regions appear to receive substantially larger per capita shares of government expenditure."³

Furthermore, testimony provided to the House General Laws Committee during debate on SJR38 made clear that **if Missouri maps are drawn based on the number of eligible voters, instead of the total population, [there would be a discriminatory impact on the representation for voters of color.](#)** From that testimony, given by Nimrod Chapel, Jr. of the Missouri NAACP State Conference, and Yuri Rudensky and Ethan Herenstein of the Brennan Center for Justice:

Apportioning on the basis of citizen voting age population (CVAP)—or any basis narrower than total population—would be discriminatory. Apportioning on the basis of CVAP would be discriminatory. The main proponent of CVAP-based apportionment was Thomas Hofeller, the architect behind racially discriminatory maps in North Carolina, Texas, Virginia, and other states, who explained in a memo made public after his death that apportioning on the basis of CVAP would be "advantageous to Republicans and Non-Hispanic whites."⁴ Research proves that to be true in Missouri as well.

Over 90 percent of the people excluded from Missouri's apportionment base under CVAP apportionment would be citizen children. Missouri's citizen children are not evenly distributed across the state—in fact, Missouri's communities of color skew younger than their white counterparts. As a result, these minority communities would suffer disproportionate representational losses if citizen children were excluded from the apportionment base.

For white communities, only 21 percent of their population is under eighteen years of age. But households in Black and Latino communities tend to include

² Ansolabehere, S., Gerber, A., & Snyder, J. (2002). Equal Votes, Equal Money: Court-Ordered Redistricting and Public Expenditures in the American States. *American Political Science Review*, 96(4), 767-777. doi:10.1017/S0003055402000448

³ Dragu, T., & Rodden, J. (2011). Representation and redistribution in federations. *Proceedings of the National Academy of Sciences of the United States of America*, 108(21), 8601–8604. <https://doi.org/10.1073/pnas.1019061108>

⁴ See Exhibit D to Letter Motion to Compel Defendants to Show Cause, *New York v. U.S. Dep't of Commerce*, No. 18-cv-2921 (S.D.N.Y. May 31, 2019), ECF No. 595-1.

more children, with 26.7 percent and 37 percent of their respective populations aged under eighteen. In other words, more than a quarter of Missouri's Black community and more than a third of the state's Latino community simply would not count under a CVAP-based apportionment.

Furthermore, from the same public testimony:

[The voter-approved redistricting system in 2018's] Amendment 1 offers robust protections for communities of color in the redistricting process. Beyond those contained in the Voting Rights Act, Amendment 1 provides independent state-law protections that protect minority communities' ability to participate in the political process and elect their representatives of choice. While SJR 38 would retain some state-level protections, it significantly weakens them by eliminating Amendment 1's prohibition against making it harder for communities of color to elect representatives of their choice and its protection of coalitional districts where different communities can combine their voting strength. As a result, SJR 38 would leave minority communities more vulnerable during the redistricting process.

If SJR38 is fully implemented as intended by Sen. Hegeman, we should expect a significant impact on Missouri's small businesses and local government revenues, due to the dramatic change in who is represented, and due to the inevitable decline in economic activity that would come from the public outcry after passage and implementation of such a discriminatory redistricting system.

The Associated Press determined in 2017 that North Carolina's discriminatory House Bill 2 would cost the state more than \$3.76 billion in lost economic activity⁵ over a dozen years because of a strong public response to the law. Arizona lost significant economic activity after its state legislature passed a controversial immigration bill. One study⁶ "found a \$141 million hit to the convention and tourism industry in the four months after" the controversial law was signed.

If economic and tourist activity is depressed by even 5% because of a boycott, we would see a drop of approximately \$2,500,000 in sales tax revenue or \$5,000,000 over two fiscal years. Jackson County municipalities would also expect to see reduced sales and lodging taxes and may lose employers to other states if Missouri's reputation is harmed by discriminatory laws.

⁵ Dalesio, E. and Drew, J. Price tag of North Carolina's LGBT law: \$3.76B. Associated Press, March 27, 2017. <https://apnews.com/fa4528580f3e4a01bb68bcb272f1f0f8>

⁶ Peralta, E. In Wake Of Immigration Law, Boycott Cost Arizona Millions. National Public Radio, November 18, 2010.

The fiscal impact of SJR38 would be significant for local governments, small businesses, and state revenues if any population standard other than total population is used for state legislative maps. We estimate the total fiscal impact on the Jackson County budget to be between \$5,000,000 and an unknown amount.

Thank you for your attention to this submission.

Respectfully,

Crystal Williams

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Officials from **St. Louis County** indicated:



OFFICE OF THE COUNTY EXECUTIVE

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SAM PAGE
COUNTY EXECUTIVE

June 5, 2020

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Auditor Galloway:

With a population of 996,726, St. Louis County is the largest county in Missouri, comprising 16% of the state's population, and is the 43 largest county in the United States. St. Louis County is also an important employment center with approximately half of all the metropolitan area's jobs and one quarter of all jobs in Missouri. St. Louis County's 88 municipalities have primary responsibility within their jurisdictions for services such as public safety, planning and zoning, local street maintenance and building code enforcement. The unincorporated area, which contains nearly one-third of the county's population comes under the direct jurisdiction of county government. St. Louis County provides a wide range of services falling within three categories: 1) county-wide services, which are available on an equal basis to all residents of St. Louis County; 2) services to unincorporated areas; and 3) services to incorporated areas by contractual agreement. These services include health care and public health, human services, police and public safety, judicial and justice services, parks and recreation, planning and zoning, tax assessment, public works, environmental health, and election administration.

Not counting everyone in St. Louis County – as contemplated in SJR38 – would significantly affect who and how our residents are represented in the Missouri General Assembly and would have a substantial fiscal impact on local governments and small businesses. The Census Bureau's 5-Year American Community Survey indicates that 252,445 St. Louis County residents — more than 1 in 4 of our neighbors — stand to lose representation if maps are drawn using an eligible voter standard as proposed in SJR38.

SJR38 aims to change the current population standard for drawing state legislative maps from using total population to eligible voter population, sometimes referred to as a citizen voting-age population (CVAP) standard. On January 29, 2020, SJR38 Sponsor Senator Dan Hegeman indicated on the Senate floor that the intent of Section 3(a)(b)(1) in SJR38 (Page 4, Lines 43-54) is to move the state of Missouri away from using total population for drawing state legislative maps, and instead use a new population standard based on "the people that are able to vote."

Such a move would constitute a radical departure from how Missouri has drawn maps for at least 145 years. Drawing maps based on anything other than the total population of Missouri would also be a departure from current practice in the United States. Right now, every state in America counts everyone for redistricting purposes.

Testimony provided to the House General Laws Committee during debate on SJR38 made clear that if Missouri maps are drawn based on the number of eligible voters, instead of the total population, there would be a discriminatory impact on the representation for voters of color. According to testimony provided by Nimrod Chapel, Jr. of the Missouri NAACP State Conference and Yuriy Rudensky and Ethan Herenstein of the Brennan Center for Justice, SJR 38 would have the following consequences:

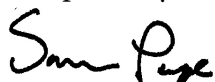
- Apportioning on the basis of CVAP would be discriminatory. The main proponent of CVAP-based apportionment was Thomas Hofeller, the architect behind racially discriminatory maps in North Carolina, Texas, Virginia, and other states, who explained in a memo made public after his death that apportioning on the basis of CVAP would be “advantageous to Republicans and Non-Hispanic whites.” Research proves that to be true in Missouri as well.
- Over 90 percent of the people excluded under CVAP apportionment would be citizen children. Missouri’s citizen children are not evenly distributed across the state—in fact, Missouri’s communities of color skew younger than their white counterparts. As a result, these minority communities would suffer disproportionate representational losses if citizen children were excluded from the apportionment base.
- For white communities, only 21 percent of their population is under eighteen years of age. But households in Black and Latino communities tend to include more children, with 26.7 percent and 37 percent of their respective populations aged under eighteen. In other words, more than a quarter of Missouri’s Black community and more than a third of the state’s Latino community simply would not count under a CVAP-based apportionment.
- The voter-approved redistricting system in 2018’s] Amendment 1 offers robust protections for communities of color in the redistricting process. Beyond those contained in the Voting Rights Act, Amendment 1 provides independent state-law protections that protect minority communities’ ability to participate in the political process and elect their representatives of choice. While SJR 38 would retain some state-level protections, it significantly weakens them by eliminating Amendment 1’s prohibition against making it harder for communities of color to elect representatives of their choice and its protection of coalitional districts where different communities can combine their voting strength. As a result, SJR 38 would leave minority communities more vulnerable during the redistricting process.

If SJR38 is fully implemented as intended, we should expect a significant impact on Missouri's small businesses and local government revenues, due to the dramatic change in who is represented, and due to the foreseeable decline in economic activity resulting from passing and implementing such a discriminatory redistricting system. The Associated Press determined in 2017 that North Carolina’s discriminatory House Bill 2 would cost the state more than \$3.76 billion in lost business over a dozen years because of a strong public response to the law. Arizona lost significant economic activity after its state legislature passed a controversial immigration bill. One study “found a \$141 million hit to the convention and tourism industry in the four months after” the controversial law was signed. St. Louis County and the 88 municipalities within the county would also expect to see reduced sales and lodging taxes, and may lose employers to other states if Missouri's reputation is harmed by discriminatory laws.

If any population standard other than total population is used for drawing state legislative maps, the fiscal impact of SJR38 would be devastating for local governments, small businesses, and state revenues.

Thank you for your attention to this submission.

Respectfully,


Sam Page

Officials from the **City of Columbia** indicated concern about the significant fiscal impact Senate Joint Resolution 38 would have on the local government and small businesses of Columbia. They are specifically concerned about Section 3(a)(b)(1) in SJR 38 (Page 4, Lines 43-54) which would change the population standard for state legislative maps away from using total population to a citizen voting-age population or eligible voter standard.

Using a citizen voting-age population (CVAP) standard would be a radical departure from the standard Missouri has used for at least 145 years. Drawing maps on anything other than the total population of Missouri would also be a departure from current practice in the United States. Right now, every state in America counts everyone for redistricting purposes.

When the Mayor announced the Columbia/Boone County Complete Count Census Committee in November 2019, he said "Data drives our democracy. Data drives decisions." The Census Bureau's 5-Year American Community Survey indicates that 27,675 Columbia residents — almost 1 in 4 of their community members — would lose representation if maps are drawn using an eligible voter standard. In the Columbia School District, 35,259 children and residents would not count.

Columbia provides services to everyone in their community, and not counting everyone in their community would have a significant impact on how their residents are represented in the General Assembly. Only counting eligible voters in legislative redistricting would dilute the representation of Columbia. Simply put, underrepresented constituents receive less funding. Studies show that "overrepresented regions appear to receive substantially larger per capita shares of government expenditure."¹ If their residents are not properly represented, they would expect a significant impact on their local budgets as well as higher education funding.

And for a city with the flagship University of Missouri-Columbia, SJR 38 would dramatically underrepresent international students and visiting scholars. The discriminatory impact SJR 38 would have on the representation for voters of color could have a significant impact on Missouri's small businesses and local government revenues. Due to the dramatic change in who is represented, and the inevitable decline in economic activity that would come from the public outcry after passage and implementation of such a discriminatory redistricting system, the lost economic activity for a City like Columbia would be significant.

In 2017, the Associated Press determined North Carolina's discriminatory, anti-LGBT House Bill 2 would cost the state more than \$3.76 billion in lost economic activity² over a dozen years because of a strong public response to the law. Arizona lost significant economic activity after its state legislature passed a controversial immigration bill. One

¹ Dragu, T., & Rodden, J. (2011). Representation and redistribution in federations. *Proceedings of the National Academy of Sciences of the United States of America*, 108(21), 8601–8604. <https://doi.org/10.1073/pnas.1019061108>

² Dalesio, E. and Drew, J. Price tag of North Carolina's LGBT law: \$3.76B. Associated Press, March 27, 2017. <https://apnews.com/fa4528580f3e4a01bb68bcb272f1f0f8>

study³"found a \$141 million hit to the convention and tourism industry in the four months after" the controversial law was signed.

If local economic and tourist activity is depressed because of a boycott, they would foresee a significant impact on economic activity for small businesses, and a significant impact on sales tax and lodging tax revenue for the City of Columbia.

In April 2018, the Columbia City Council adopted a Statement of Community Principals to *"reject all forms of prejudice and discrimination, including those based on age, color, diverse ability, gender, gender identity, gender expression, national origin, political affiliation, race, religion, sexual orientation, and veteran status. We take individual and collective responsibility for helping to eliminate bias, and discrimination and for increasing our own understanding of these issues through education, training, and interaction with others."*

Drawing maps on anything other than the total population of Missouri as proposed by SJR 38 is contrary to these values and would perpetuate inequities and discrimination that would have a significant fiscal impact on their constituents and the City of Columbia.

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

Officials from the **City of St. Louis** indicated:

³ Peralta, E. In Wake Of Immigration Law, Boycott Cost Arizona Millions. National Public Radio, November 18, 2010.



**OFFICE OF THE MAYOR
CITY OF ST. LOUIS
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June 8, 2020

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Re: SRJ38

Auditor Galloway:

SJR38 would have a significant fiscal impact on local governments and small businesses in Missouri if the population standard for state legislative maps is changed from using total population to a citizen voting-age population or eligible voter standard.

SJR38 Sponsor Dan Hegeman indicated on the Senate floor on January 29, 2020 that the intention of Section 3(a)(b)(1) in SJR38 (Page 4, Lines 43-54) is to move the state of Missouri away from using total population for state legislative maps, and instead use a new population standard when drawing state legislative plans based on "the people that are able to vote."

Sometimes referred to as a citizen voting-age population (CVAP) standard, such a move would be a radical departure from how Missouri has drawn maps for at least 145 years. Drawing maps on anything other than the total population of Missouri would also be a departure from current practice in the United States. Right now, every state in America counts everyone for redistricting purposes.

The Census Bureau's 5-Year American Community Survey indicates that 71,670 St. Louis City residents — almost 1 in 4 individuals — would lose representation if maps are drawn using an eligible voter standard.

The City of St. Louis provides services to everyone in our community, and not counting everyone in St. Louis would have a significant impact on who and how our residents are represented in the General Assembly.

Also, testimony provided to the General Assembly in the House General Laws Committee made clear that if Missouri maps are drawn based on the number of eligible voters, instead of the total population, there would be a discriminatory impact on the representation for voters of color. We should expect a significant impact on Missouri's small businesses, the local economy, local sales taxes, local lodging taxes, and state income taxes if maps are drawn in discriminatory way that disproportionately impacts Missourians of color.

The Associated Press determined in 2017 that North Carolina's discriminatory House Bill 2 would cost the state more than \$3.76 billion in lost business over a dozen years because of a strong public response to the law. [Source: Associated Press, March 27, 2017]. Arizona lost significant economic activity after its state legislature passed a controversial immigration bill. One study "found a \$141 million hit to the convention and tourism industry in the four months after" the controversial law was signed [Associated Press, November 19, 2010; NPR, November 18, 2010; East Valley Tribune, April 21, 2011].

Based on the experience of other states after the passage of similar measures, we estimate our local economy could see a drop of as much as one-third of our sales tax revenue. That doesn't take into account lower property values or the possibility of losing employers to other states if Missouri's reputation is harmed by discriminatory laws.

The fiscal impact of SJR38 would be significant for local governments, small businesses, and state revenues if any population standard other than total population is used for state legislative maps.

Thank you for your attention to this submission.

Respectfully,



Lyda Krewson
Mayor, City of St. Louis

Officials from the **Missouri Ethics Commission** indicated the proposed legislation does not have fiscal impact on their Commission. It is assumed this prohibition would result in a minimal number of complaints; however, if this assumption is incorrect the Commission may require additional staff resources.

Officials from the **State Auditor's office** indicated implementation of SJR 38 would have no fiscal impact on their office.

George Butler provided the following information:

SJR38 presents a radical change to Missouri voters that could fundamentally alter who is represented in their state legislature, and would significantly impact the representation of every community in Missouri.

Senator Dan Hegeman, sponsor of SJR38, was explicit (<https://www.youtube.com/watch?v=Lzsa5wrSgmo>) in Senate debate that one goal of SJR38 language is to have future legislative maps drawn based on the number of eligible voters, not the total population. This would have a profound and discriminatory impact on Missouri communities and Missouri families.

The Constitutional requirement for the USA Census is to count ALL PERSONS residing in the various states, it says nothing about citizens other than American Indians & Slaves, who were not considered citizens, but the slaves were counted and included at a ratio of 3/5ths of a person. Yet they were not considered citizens.

The people of Missouri voted to pass the Amendment in 2019 to revise how Missouri allocated Congressional & State Districts, why is the legislature being allowed to try to overturn this citizen initiated & voted on Amendment?

Rebecca Now, Executive Director, Webster Groves/Shrewsbury/Rock Hill Area Chamber of Commerce provided the following information:

The language of the bill SJR 38 will present a significant negative economic impact to the communities the Chamber of Commerce serves, as it will hurt their families and their small businesses.

The dollar amount is not currently quantifiable, but they have a number of families with children under 18 and the entire population deserves representation.

David Kimball, Professor of Political Science, University of Missouri-St. Louis provided the following information:

I am concerned that SJR38 would have a significant fiscal impact on local governments in Missouri. SJR38 removes the requirement in the state constitution that legislative districts be drawn on the basis of total population, meaning that children and non-citizens (roughly 1.5 million Missouri residents) would not count in the redistricting process. Changing the population criteria for redistricting in Missouri would cause a disproportionate loss in

representation in the legislature for certain parts of the state, where a large majority of children and non-citizens reside.

A loss of representation in the legislature leads to a decline in state funding for affected counties and municipalities. This happened in the United States before court decisions in the 1960s required legislative districts to be equal in population. Prior to the court rulings many states, including Missouri, had malapportioned legislatures with districts of vastly different populations. In malapportioned legislatures "rotten boroughs" (districts with relatively few residents) received a disproportionate share of state funding (Ansolabehere, Gerber, and Snyder 2003). After court rulings forced districts to be drawn with equal total population then state funding was distributed equally to local counties based on population (Ansolabehere and Snyder 2008). More generally, areas that lose representation in legislative bodies are at a disadvantage in the distribution of government resources (Dragu and Rodden 2011; Elis, Malhotra, and Meredith 2009). The potential for unequal distribution of government resources is exacerbated in states like Missouri, where legislators are elected from single member districts (Snyder and Ueda 2007). If SJR38 moves Missouri away from drawing legislative districts on the basis of total population then that will have a significant fiscal impact on local governments in Missouri.

References

- Ansolabehere, Stephen, Alan Gerber, and Jim Snyder. 2003. "Equal Votes, Equal Money: Court-Ordered Redistricting and Public Expenditures in the American States." *American Political Science Review* 96:767-777.
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Andrew Bergerson and Jared Wight provided the following information:

5601 Locust Street & 5711 Holmes Street
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4 June 2020

Hon. Nicole Galloway, CPA
Missouri State Auditor's Office
P. O. Box 869
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moaudit@auditor.mo.gov

RE: SJR38, aka "Missouri Lobbying, Campaign Finance, and Redistricting Amendment"

To the Honorable Nicole Galloway, CPA, Missouri State Auditor:

Pursuant to Title IX Section 116.175 of the Missouri Constitution, we hereby submit this statement of fiscal impact to advise you and your office in estimating the fiscal cost of the proposed Amendment to the Missouri Constitution as per [SJR38](#) known as the "Missouri Lobbying, Campaign Finance, and Redistricting Amendment." Drew Bergerson is a Professor of History and Jared Wight is a System Administrator, both at the University of Missouri-Kansas City. Although we submit this opinion purely as private citizens, we used our experience as social and computer scientists to do so. Below, we will show an error in the calculations on the [Fiscal Note](#) for SJR38 and four main ways that this amendment would cause significant short- and long-term damage to the fiscal health of the state budget and the overall health of the state economy.

I. Fiscal Note

The Oversight Subcommittee of the Joint Committee on Legislative Research lists two possible new expenses deriving from this amendment.

1. **Election Costs:** It is within the scope of the authority of the Governor to call a special election to decide this constitutional amendment, add it to the primary election in August 2020, or add it to the general election in November 2020. Special elections have cost taxpayers \$7.8 Million in the past, so Oversight estimates the range of additional one-time costs at **\$0 to \$7.8 million**. This outcome seems unlikely but possible.
2. **Who Redistricts:** Oversight estimates a reduction in annual cost due to the elimination of the position of the nonpartisan state demographer of about \$100,000. It also estimates an increase in annual expenses relating to the operations of the independent

bipartisan citizens commissions of something less than \$100,000. They make two mistakes in logic.

- a. They are referring to a second state demographer who might be hired for the specific purpose of redistricting. The state already employs a State Demographer, [Matthew Hesser](#), who could be given the responsibilities for redistricting at no new cost to the State.
- b. These commissions exist as well: the amendment would only increase their members from 10 in the House and 16 in the Senate to 20 for each.

Taking these facts into consideration, the largest possible so-called cost “savings” would take place only if the State removed the second demographer (\$100,000) and then spent the minimum (\$0) on the commissioners for a net savings of \$100,000. Conversely, the State would incur the largest possible new expenses if it never hired the second demographer in the first place and gave the task of redistricting to the state demographer who is already on staff (\$0) while also spending the maximum on the commissioners (\$100,000) for a net increase of \$100,000. A more accurate estimation of fiscal impact would be **from \$100,000 in cost savings to \$100,000 in new expenses**.

Yet both of these expenses pale in comparison to the hidden costs of this amendment.

II. Political Impact

We predict that the proposed constitutional amendment would create a badly flawed redistricting process with several egregious political outcomes. We will focus on those that promise to cause the most significant fiscal and economic damage.

1. **“One person, one vote”** (see Section 3. [b] [1.]): Every State in the Union interprets this phrase to mean the total population of a district and uses total population as the basis for redistricting. The State of Missouri has used this method throughout its history. Most states, including Missouri, derive this data from the decennial federal Census.¹ The Supreme Court has ruled that total population satisfies this phrase and has never ruled on whether it is permissible for States to use any other method.² Yet the sponsors of this legislation want to interpret this phrase as the population of eligible voters.³

¹ See U. S. Census Bureau, *2010 Census Redistricting Data (Public Law 94-171) Summary File*, January 2011; Nathaniel Persily, et al., [Amicus Brief](#) in support of the Appellees in *Evenwel vs. Abbott*, September 25, 2015 (No. 14-940); both accessed June 4, 2020.

² Matt Ford, “One Person, One Vote, Eight Justices,” [The Atlantic](#), April 4, 2016.

³ During the Missouri Senate floor debate on 29 January 2020 (see [YouTube](#)), Senator Dan Hegeman (MO-12) defined “one person, one vote” in terms of “people that vote. The people that are able to vote are the people that are counted. Not registered voters, but the opportunity to do that.”. Conversely, “Senate Majority Floor Leader Caleb Rowden, R-Columbia, told reporters the Legislature is ‘staying silent’ and sticking with precedent on the question of who is counted in redistricting. The courts will likely decide whether districts are drawn based on total population, he said.” (See Brendan Crowley, “Filibuster sidelines Clean Missouri amendment,” [The News Tribune](#), Jan. 31 2020)

- a. **Ambiguity:** The amendment creates ambiguity where there was none — on the practical question of how to count people for the purposes of redistricting. The State could interpret it to mean: Voting-Eligible Population (VEP), Voter Turnout (VT), Registered Voters (RVs), Voting-Age Population (VAP), or Citizen Voting Age Population (CVAP). We predict that the uncertainty of this badly written amendment will open the door for more abuse. It will lead to confusion among citizens and election officials about who gets counted during redistricting.
 - b. **Deadlock:** The amendment substitutes our current, objective procedures with unnecessary gridlock. It would place the redistricting process in the hands of politically appointed commissioners, which would end in deadlock. As the sponsors admit, they want to leave the final determination to the courts.⁴ After considerable litigation, the backup panel of six judges would almost certainly be triggered for redistricting.
 - c. **Underrepresentation:** Depending on how voters are counted, the process could exclude citizens who did not vote recently (VT) or who have moved but have not reregistered in time for the election (RVs). The clear intent of the legislation is to not count children and non-citizens (CVAP or VAP), in spite of the obvious fact that noncitizens become citizens and children become adults. Black and Latino families have a disproportionate number of members who fit these categories.⁵ We therefore predict more systematic underrepresentation of minority groups.
2. **Standing & Redress:** The amendment would restrict who has standing to appeal these redistricting plans as well as the scope of the courts' authority to redress that unfairness (see Section 3. [j.] and 7. [i]). To have standing, a potential litigant must be "an eligible Missouri voter who sustains an individual injury by virtue of residing in a district that exhibits the alleged violation, and whose injury is remedied by a differently drawn district." Then, the courts may make adjustments to "only those districts, and only those parts of district boundaries, necessary to bring the map into compliance." These rules imply that lawsuits challenging unrepresentative districts will have to be filed one by one, each capable of only modest redress. The courts may combine them into a single sprawling suit or litigate them individually; but either way, the amendment would create major challenges in terms of judicial manageability.
 3. **"Wasted Votes":** The proposed amendment would increase the upper limit of "wasted votes" to "fifteen percent" (Section 3. [b] [5]). Currently there are zero (0) state legislative districting plans in the U. S. in which "wasted votes" exceed the fifteen percent limit. Nonetheless, most neutral election observers would characterize many state legislative

⁴ See fn 3.

⁵ See Missouri Office of Administration, Division of Budget & Planning, *2010 Census Data*, "[County Population by Race, Hispanic Origin, and Total Minority](#)"; and the Written Testimony of Nimrod Chapel, Jr. (Missouri NAACP) and Yuri Rudensky and Ethan Herenstein (Brennan Center for Justice at New York University School of Law) on SJR 38 in the Missouri House of Representatives General Laws Committee on April 30, 2020, [Brennan Center for Justice](#); both accessed May 31, 2020.

districts as badly gerrymandered.⁶ Raising this so-called “limit” to fifteen percent would effectively remove the threshold, opening the door to more abuse, not less.

Economic Impact

In light of these likely outcomes of the proposed amendment, we predict significant short- and long-term damage to the fiscal health of the State budget and the economic health of the State more generally.

1. **Escalating Judicial & Legal Costs:** In 2018, the Clean Missouri Amendment was approved by 62% of the voters and by a majority of voters in 77 out of 115 house districts.⁷ Given the bold-faced unfairness of SJ38 and the fact that the sponsors of the legislation are trying to undo a decision of a majority of the voters, we can reliably predict that angry litigants from all over the State will want to sue. The sponsors, too, want to land these suits before the courts. Moreover, they are effectively making Missouri into the test case for this new and untested method of redistricting, so the individual litigants will almost certainly be well funded not just from local and state but also national PACs. The entire budget for the State of Missouri’s other lawsuits in 2019 was \$24 million,⁸ and recent redistricting lawsuits in other states **range in cost from \$1.6 to \$10 million each.**⁹ What is new and different about this proposed amendment is that the sponsors leave open the possibility that the courts could require litigants to sue individually in multiple districts across the State. In that case, **legal costs for the State will skyrocket.**
2. **Expensive Redistricting Procedures:** In comparison to the current method of using total population, all of the options for creating an accurate and up-to-date statewide database of “voters” are more difficult, less reliable, more labor intensive, and thus more expensive. Based on what we know currently about the proposed amendment, we can reasonably exclude certain options:
 - a. **VT/RVs/VEP:** Ward/precinct lists of Voter Turnout (VT) or Registered Voters (Rvs) would almost certainly under-represent eligible voters and cannot be used “as is” to represent current voter population. Statistics on Voting-Eligible Populations (VEP) are similarly unreliable because they rely on wildly

⁶ See evidence and analysis of the historical data provided by [PlanScore](#); David Meyers, “The 12 Worst House Districts: Experts Label Gerrymandering’s Dirty Dozen,” [The Fulcrum](#), Nov. 7, 2019; both accessed May 31, 2020.

⁷ Missouri Secretary of State, [Election Night Results, November 2018](#), accessed May 30, 2020; Ashlyn O’Hara and Galen Bacharier, “Lawmakers voted to reconsider Clean Missouri. Did your district support it?” [Columbian Missourian](#), May 12, 2020, accessed May 30, 2020.

⁸ Kurt Erickson, “Missouri paid out more than \$24 million for lawsuits last year,” [St. Louis Post-Dispatch](#), Feb 3, 2020, accessed May 31, 2020.

⁹ For North Carolina see Gary D. Robertson, “NC redistricting fight turns to state courts after ruling,” [The Associated Press](#), June 29, 2019; for Virginia see Alan Suderman, “Public could pay \$10 million for redistricting lawsuits,” [The Associated Press](#), July 17, 2018; for Wisconsin see Patrick Marley, “Redistricting Legal Fight on Track to Cost Wisconsin Taxpayers \$3.5 million,” [Milwaukee Journal Sentinel](#), January 22, 2019; all accessed May 31, 2020.

inconsistent reporting practices at the local level.¹⁰ All three of these options would be so inaccurate that they would be prohibitively expensive to clean up.

- b. **VAP:** The local data on Voting-Age Population (VAP) already exists and is publicly available from the U.S. Census Bureau. The State is therefore least likely to incur new costs if eligible voters were counted using VAP. However, the sponsors of SJR38 explicitly removed from the “truly agreed to and finally passed” language of the law all references to using the decennial Census for these purposes. It is therefore unlikely that they intend to use VAP data alone.
- c. **CVAP:** Given the concern of the sponsors about excluding non-citizens, the most likely candidate for this new database is Citizen Voting-Age Population (CVAP). Using CVAP, however, would require creating a new database linking citizenship to voting age at the ward/precinct level. The sponsors have not yet outlined their plan for creating such a database; the most likely way to do so would be through some kind of statewide census. There were 2,396,271 households in Missouri from 2014 to 2018. We conservatively estimate the cost of a census at \$107 per household based on the 2020 Federal rate.¹¹

Such a statewide census would create **a minimum of \$256 million in new expenses**. In sum, this amendment would create one of, if not the most **expensive redistricting process in all fifty states**.

- 3. **Bad for Business & Local Government:** The amendment will shift legislative power away from districts with more children and non-citizens.¹² These shifts in relative representation would impact the ability of communities to mobilize state resources through their elected representatives. Moreover, the business community thrives when laws are transparent and predictable; uncertainty makes entrepreneurs nervous about re/investing. This badly written amendment would negatively impact both large corporations and small businesses. Though **not concretely quantifiable**, the long-term fiscal and economic costs from these factors are **foreseeable and very significant**.
- 4. **Economic Sanctions:** Thanks to social media and a heightened level of partisan activism, changes to state laws now often receive national or even global attention, particularly when they are prejudicial to vulnerable populations like children, non-citizen, and people of color. In response, activist groups often call for a wide range of public and private sanctions against the state. Typical responses include reductions in business travel, conferences, cultural events, and tourism. In extreme cases, it can lead boycotts, corporate relocations, and divestment. In the long-term, such sanctions impact small businesses as much as large corporations. Some recent estimates from comparable

¹⁰ Michael McDonald, [The United States Elections Project](#), accessed May 30, 2020.

¹¹ See Paul Bedard, “2020 Census to cost \$107 per household, \$15.6 billion, most ever,” [Washington Examiner](#), October 30, 2017; [U.S. Census Bureau Quick Facts: Missouri](#), both accessed May 31, 2020.

¹² See fn 5.

states suggest **economic losses ranging from \$256.4 million to \$3.76 billion**.¹³ By making Missouri into a national and international poster child for discriminatory redistricting, we anticipate **substantial long-term fiscal and economic damage**.

There are many things we cannot know for sure, but that is the core problem with this amendment — its uncertainty. The Legislature is asking the citizens of Missouri to become the lab rats for an untested, dangerous experiment in political redistricting. This risky adventure runs contrary to the traditions and culture of the Show-Me State.

Our conclusion is that this unnecessary and badly written amendment exposes the State to **significant foreseeable fiscal and economic damage on a wide range of fronts**. Even if some of these likely outcomes cannot be precisely quantified, we encourage you to make clear to the voters of the State of Missouri **the disastrous scale of these predictable outcomes** in the language of your fiscal note summary.

Yours sincerely,



Andrew Stuart Bergerson, 5601 Locust Street, Kansas City, MO, 64110 and
Jared Wight, 5711 Holmes Street, Kansas City, MO, 64110



¹³In Indiana, the Center for American Progress estimated that their Religious Freedom Restoration Act could cost the state \$250 million over 6 years (Sarah McBride and Laura E. Durso, "Indiana's Religious Freedom Restoration Act Is Bad for Business," [CAP](#), March 31, 2015, accessed June 4, 2020). In North Carolina, the Public Facilities Privacy & Security Act restricted bathroom use to people of the same sex according to their birth certificate. According to Emery P. Dalesio and Jonathan Drew of *The Associated Press* (published in *The Washington Post* and many other news sources, 30 March 2017), passage of this new law resulted in an estimated loss to North Carolina's economy of over \$3.76 billion in investments and jobs.

Mayor Len Pagano, City of St. Peters provided the following information:



State Auditor's Office
State Capitol, Rm 121
Jefferson City, MO 65101
fiscalnote@auditor.mo.gov

June 4, 2020

Auditor Galloway:

SJR38 would have a significant fiscal impact on local governments and small businesses in Missouri if the population standard for state legislative maps is changed from using total population to a citizen voting-age population or eligible voter standard.

SJR38 Sponsor Dan Hegeman indicated on the Senate floor on January 29, 2020 that the intention of Section 3(a)(b)(1) in SJR38 (Page 4, Lines 43-54) is to move the state of Missouri away from using total population for state legislative maps, and instead use a new population standard when drawing state legislative plans based on "the people that are able to vote."

Such a move would be a radical departure from how Missouri has drawn maps for at least 145 years. Drawing maps on anything other than the total population of Missouri would also be a departure from current practice in the United States. Right now, every state in America counts everyone for redistricting purposes.

The Census Bureau's 5-Year American Community Survey indicates that 13,400 residents of St. Peters would lose representation if maps are drawn using an eligible voter standard.

Our cities provide services to everyone in our community, and not counting everyone would have a significant impact on how our residents are represented — and who is represented — in the General Assembly.

Testimony provided to the General Assembly in the House General Laws Committee made clear that if Missouri maps are drawn based on the number of eligible voters, instead of the total population, there would be a discriminatory impact on the representation for voters of color. From that testimony, given by Nimrod Chapel, Jr. of the Missouri NAACP State Conference and Yuri Rudensky and Ethan Herenstein of the Brennan Center for Justice:

Apportioning on the basis of citizen voting age population (CVAP)—or any basis narrower than total population—would be discriminatory. Apportioning on the basis of CVAP would be discriminatory. The main proponent of CVAP-based apportionment was Thomas Hofeller, the architect behind racially discriminatory maps in North Carolina, Texas, Virginia, and other states, who explained in a memo made public after his death

that apportioning on the basis of CVAP would be “advantageous to Republicans and Non-Hispanic whites.”⁴ Research proves that to be true in Missouri as well.

Over 90 percent of the people excluded from Missouri’s apportionment base under CVAP apportionment would be citizen children. Missouri’s citizen children are not evenly distributed across the state—in fact, Missouri’s communities of color skew younger than their white counterparts. As a result, these minority communities would suffer disproportionate representational losses if citizen children were excluded from the apportionment base.

For white communities, only 21 percent of their population is under eighteen years of age. But households in Black and Latino communities tend to include more children, with 26.7 percent and 37 percent of their respective populations aged under eighteen. In other words, more than a quarter of Missouri’s Black community and more than a third of the state’s Latino community simply would not count under a CVAP-based apportionment.

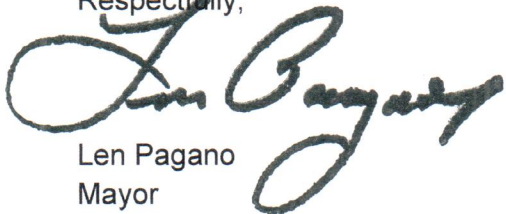
Furthermore, from the same public testimony:

[The voter-approved redistricting system in 2018’s] Amendment 1 offers robust protections for communities of color in the redistricting process. Beyond those contained in the Voting Rights Act, Amendment 1 provides independent state-law protections that protect minority communities’ ability to participate in the political process and elect their representatives of choice. While SJR 38 would retain some state-level protections, it significantly weakens them by eliminating Amendment 1’s prohibition against making it harder for communities of color to elect representatives of their choice and its protection of coalitional districts where different communities can combine their voting strength. As a result, SJR 38 would leave minority communities more vulnerable during the redistricting process.

If SJR38 is fully implemented as intended by Sen. Hegeman, we should expect a significant impact on Missouri’s small businesses and local government revenues, due to the dramatic change in who is represented, and due to the inevitable decline in economic activity that would come from passage and implementation of such a discriminatory redistricting system.

Thank you for your attention to this submission.

Respectfully,

A handwritten signature in black ink, appearing to read "Len Pagano". The signature is stylized with large, flowing loops and is positioned above the printed name and title.

Len Pagano
Mayor

Jean Dugan, provided the following information:

As co-presidents of the League of Women Voters of Metro St. Louis, they are concerned about the impact of language in SJR38 that could lead to Missouri not counting non-citizens or anyone under age 18 when legislative district maps are drawn. As they said, "Removing 1.4 million children from our population count substantially affects the size of House and Senate districts and reduces the representation of all children and non-citizens." The fiscal impact of this is unclear, but they believe not using total population would be detrimental to most Missouri families.

Nancy J. Miller and Louise T. Wilkerson

Keep clean redistricting process that counts kids

By Nancy J. Miller and Louise T. Wilkerson

https://www.stltoday.com/opinion/columnists/nancy-miller-and-louise-wilkerson-keep-clean-redistricting-process-that-counts-kids/article_6a268be7-5129-5b5e-a3ad-03cea5febc33.html

After the courts confirmed that the 2020 Census should count every resident, many members of the Missouri General Assembly indicated that they think legislative district maps should be drawn counting only citizens over the age of 18.

The Legislature last week approved Senate Joint Resolution 38 to put an amendment on the ballot to replace Clean Missouri's redistricting process. The new amendment would allow unprecedented partisan and racial gerrymandering. Not only would this amendment to the state constitution give political parties more power, it would open the door to a process that excludes children and non-citizens when drawing legislative district maps.

Apparently, some legislators do not think kids should count as part of their constituency, even though minors make up 22% of the state's population. That is an estimated 1.4 million children under the age of 18 across the state, according to the Missouri Census Data Center. That includes 22% of the St. Louis County population, 19% of St. Louis city, and 23% of St. Charles County.

The League of Women Voters believes that district maps should continue to be drawn on the basis of total population — all the people who live in an area. Courts have supported this method since total population serves the principle of representational equality. The Supreme Court ruling in *Evenwel v. Abbott* reaffirmed that the interests of all people living in the U.S. should hold equal weight and yield comparable influence in the democratic process. Legislators are elected to serve all residents, not just those eligible to vote.

Currently, Missouri's 163 House districts have an average population of 37,000 and the 34 Senate districts have an average population of 174,000. Those population numbers for legislative districts are crucial for their communities. Representation determines how

resources get allocated. Removing 1.4 million children from their population count substantially affects the size of House and Senate districts and reduces the representation of all children and non-citizens.

Accurate Census are used by school districts, municipal boards and states to determine funding priorities and allocate necessary resources for schools, libraries, transportation and other public programs and services. If legislative district maps are drawn based on incomplete counts, then all individuals living in those districts might suffer.

When all their neighbors are not represented and included in all counts, the entire community loses out. They need fair maps that include all of us.

Families with children would lose the most if Missouri switches to Citizen Voting Age Population for redistricting after the 2020 Census. Those district maps would be in place for the next decade. A lot of changes occur in 10 years, including current teenagers becoming eligible to vote, and refugees and other immigrants gaining citizenship. Are they to be denied their representation?

League volunteers have registered dozens of newly naturalized citizens to vote. Their excitement about earning the right to vote in this country reminds us of the importance of citizenship. It should also remind us of the importance of refugees and other immigrants in our economy. Many of them come with valuable skills and are willing to work hard to achieve the American dream.

State legislators should be eager to represent non-citizen residents, not discount them.

The Missouri General Assembly's new gerrymandering plan is part of a national effort to undermine the principles of representative democracy. The daughter of gerrymandering mastermind Thomas B. Hofeller released files after his death showing he advocated using Citizen Voting Age Population for redistricting instead of total population since it favored one group of citizens over others, saying it "would be advantageous to non-Hispanic whites."

These files were evidence in the 2019 Texas court case that ruled out a Census question on citizenship. In Missouri, experts say using voting age in redistricting would benefit rural areas at the expense of St. Louis and other cities.

In 2018 voters in every state Senate district supported Amendment 1, known as Clean Missouri, to clean up Missouri's Legislature. They believe Missourians do not want to exclude children under 18 and non-citizens from the count, drop the amendment's independent demographer, give political parties more power, hide the data used for the final maps, or set a weaker race equity standard.

"Voters should be livid at this legislative attempt to circumvent their will," the Post-Dispatch said in a Feb. 12 editorial that recognized SJR 38 as an incumbent-protection plan.

They want fair maps that count their kids as well as non-citizens. To achieve that, they need to keep the process clean. Let's not mess with Amendment 1.

David Roberts provided the following information:

State Auditor's Office
State Capitol, Rm 121
Jefferson City, MO 65101
fiscalnote@auditor.mo.gov

June 5, 2020

Auditor Galloway:

SJR38 would have a significant fiscal impact on local governments and small businesses in Missouri if the population standard for state legislative maps is changed from using total population to a citizen voting-age population or eligible voter standard.

SJR38 Sponsor Dan Hegeman indicated on the Senate floor on January 29, 2020 that the intention of Section 3(a)(b)(1) in SJR38 (Page 4, Lines 43-54) is to move the state of Missouri away from using total population for state legislative maps, and instead use a new population standard when drawing state legislative plans based on "the people that are able to vote."

Sometimes referred to as a citizen voting-age population (CVAP) standard, such a move would be a radical departure from the standard Missouri has used for at least 145 years. Drawing maps on anything other than the total population of Missouri would also be a departure from current practice in the United States. Right now, every state in America counts everyone for redistricting purposes.

The Census Bureau's 5-Year American Community Survey indicates that 185,665 Jackson County residents¹ — more than 1 in 4 of our neighbors and family members — would lose representation if maps are drawn using an eligible voter standard. Jackson County provides services to everyone in our community, and not counting everyone in Jackson County would have a significant impact on who and how our residents are represented in the General Assembly.

Underrepresented constituents receive less funding. This is common sense, and is documented in academic research. See, for instance, research by Stephen Ansolabehere, Alan Gerber and Jim Snyder on the "clear evidence of the political consequences of unequal representation,"² and work from Tiberiu Dragu and Jonathan Rodden demonstrating that

¹ Citizen Voting Age Population Special Tabulation from the 2018 5-Year American Community Survey

² Ansolabehere, S., Gerber, A., & Snyder, J. (2002). Equal Votes, Equal Money: Court-Ordered Redistricting and Public Expenditures in the American States. *American Political Science Review*, 96(4), 767-777. doi:10.1017/S0003055402000448

"overrepresented regions appear to receive substantially larger per capita shares of government expenditure."³

Furthermore, testimony provided to the House General Laws Committee during debate on SJR38 made clear that **if Missouri maps are drawn based on the number of eligible voters, instead of the total population, there would be a discriminatory impact on the representation for voters of color.** From that testimony, given by Nimrod Chapel, Jr. of the Missouri NAACP State Conference, and Yuri Rudensky and Ethan Herenstein of the Brennan Center for Justice:

Apportioning on the basis of citizen voting age population (CVAP)—or any basis narrower than total population—would be discriminatory. Apportioning on the basis of CVAP would be discriminatory. The main proponent of CVAP-based apportionment was Thomas Hofeller, the architect behind racially discriminatory maps in North Carolina, Texas, Virginia, and other states, who explained in a memo made public after his death that apportioning on the basis of CVAP would be “advantageous to Republicans and Non-Hispanic whites.”⁴ Research proves that to be true in Missouri as well.

Over 90 percent of the people excluded from Missouri’s apportionment base under CVAP apportionment would be citizen children. Missouri’s citizen children are not evenly distributed across the state—in fact, Missouri’s communities of color skew younger than their white counterparts. As a result, these minority communities would suffer disproportionate representational losses if citizen children were excluded from the apportionment base.

For white communities, only 21 percent of their population is under eighteen years of age. But households in Black and Latino communities tend to include more children, with 26.7 percent and 37 percent of their respective populations aged under eighteen. In other words, more than a quarter of Missouri’s Black community and more than a third of the state’s Latino community simply would not count under a CVAP-based apportionment.

Furthermore, from the same public testimony:

[The voter-approved redistricting system in 2018’s] Amendment 1 offers robust protections for communities of color in the redistricting process. Beyond those contained

³ Dragu, T., & Rodden, J. (2011). Representation and redistribution in federations. Proceedings of the National Academy of Sciences of the United States of America, 108(21), 8601–8604. <https://doi.org/10.1073/pnas.1019061108>

⁴ See Exhibit D to Letter Motion to Compel Defendants to Show Cause, New York v.U.S. Dep’t of Commerce, No. 18-cv-2921 (S.D.N.Y. May 31, 2019), ECF No. 595-1.

in the Voting Rights Act, Amendment 1 provides independent state-law protections that protect minority communities' ability to participate in the political process and elect their representatives of choice. While SJR 38 would retain some state-level protections, it significantly weakens them by eliminating Amendment 1's prohibition against making it harder for communities of color to elect representatives of their choice and its protection of coalitional districts where different communities can combine their voting strength. As a result, SJR 38 would leave minority communities more vulnerable during the redistricting process.

If SJR38 is fully implemented as intended by Sen. Hegeman, we should expect a significant impact on Missouri's small businesses and local government revenues, due to the dramatic change in who is represented, and due to the inevitable decline in economic activity that would come from the public outcry after passage and implementation of such a discriminatory redistricting system.

The Associated Press determined in 2017 that North Carolina's discriminatory House Bill 2 would cost the state more than \$3.76 billion in lost economic activity⁵ over a dozen years because of a strong public response to the law. Arizona lost significant economic activity after its state legislature passed a controversial immigration bill. One study⁶ "found a \$141 million hit to the convention and tourism industry in the four months after" the controversial law was signed.

Thank you for your attention to this submission.

Respectfully,

David Roberts

⁵ Dalesio, E. and Drew, J. Price tag of North Carolina's LGBT law: \$3.76B. Associated Press, March 27, 2017. <https://apnews.com/fa4528580f3e4a01bb68bcb272f1f0f8>

⁶ Peralta, E. In Wake Of Immigration Law, Boycott Cost Arizona Millions. National Public Radio, November 18, 2010.

W. Craig Hosmer, Hosmer King & Royce, LLC provided the following information:

June 5, 2020

State Auditor's Office
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fiscalnote@auditor.mo.gov

Auditor Galloway:

This submission is in my individual capacity and not as a member of the Springfield City Council. I hope to discuss this issue as a city, but I want to submit my personal perspective for your consideration and in your timeframe.

I am concerned that SJR38 would have a significant fiscal impact on local governments and small businesses of Southwest Missouri if the population standard for state legislative maps is changed from using total population to a citizen voting-age population or eligible voter standard.

SJR38 Sponsor Dan Hegeman indicated on the Senate floor on January 29, 2020 that the intention of Section 3(a)(b)(1) in SJR38 (Page 4, Lines 43-54) is to move the state of Missouri away from using total population for state legislative maps, and instead use a new population standard when drawing state legislative plans based on "the people that are able to vote."

Sometimes referred to as a citizen voting-age population (CVAP) standard, such a move would be a radical departure from the standard Missouri has used for at least 145 years. Drawing maps on anything other than the total population of Missouri would also be a departure from current practice in the United States. Right now, every state in America counts everyone for redistricting purposes.

The Census Bureau's 5-Year American Community Survey indicates that 33,190 Springfield residents would lose representation if maps are drawn using an eligible voter standard. In the Springfield R-XII School District, 44,922 children and noncitizens would not count.

Springfield provides services to everyone in our community, and not counting everyone in our community would have a significant impact on how our residents are represented in the General Assembly. Underrepresented constituents receive less funding. This is common sense, and is documented in academic research. See, for instance, research by Stephen Ansolabehere, Alan Gerber and Jim Snyder on the "clear evidence of the political consequences of unequal representation," and work from Tiberiu Dragu and Jonathan Rodden demonstrating that

"overrepresented regions appear to receive substantially larger per capita shares of government expenditure."

Furthermore, testimony provided to the House General Laws Committee during debate on SJR38 made clear that if Missouri maps are drawn based on the number of eligible voters, instead of the total population, there would be a discriminatory impact on the representation for voters of color. If SJR38 is fully implemented as intended by Sen. Hegeman, we should expect a significant impact on Missouri's small businesses and local government revenues, due to the dramatic change in who is represented, and due to the inevitable decline in economic activity that would come from the public outcry after passage and implementation of such a discriminatory redistricting system. The Associated Press determined in 2017 that North Carolina's discriminatory House Bill 2 would cost the state more than \$3.76 billion in lost economic activity over a dozen years because of a strong public response to the law. Arizona lost significant economic activity after its state legislature passed a controversial immigration bill. One study "found a \$141 million hit to the convention and tourism industry in the four months after" the controversial law was signed.

I am concerned that the fiscal impact of SJR38 would be significant for local governments if any population standard other than total population is used for state legislative maps.

Thank you for your attention to this submission.

Cordially,

HOSMER KING & ROYCE, LLC

By: _____

W. Craig Hosmer

HOSMER KING & ROYCE, LLC
313 South Glenstone
Post Office Box 1245
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Tommie L. Pierson, Sr. provided the following information:

June 4, 2020

Auditor Galloway:

SJR38 would have a significant fiscal impact on local governments and small businesses in Missouri if the population standard for state legislative maps is changed from using total population to a citizen voting-age population or eligible voter standard.

SJR38 Sponsor Dan Hegeman indicated on the Senate floor on January 29, 2020 that the intention of Section 3(a)(b)(1) in SJR38 (Page 4, Lines 43-54) is to move the state of Missouri away from using total population for state legislative maps, and instead use a new population standard when drawing state legislative plans based on "the people that are able to vote."

Such a move would be a radical departure from how Missouri has drawn maps for at least 145 years. Drawing maps on anything other than the total population of Missouri would also be a departure from current practice in the United States. Right now, every state in America counts everyone for redistricting purposes.

The Census Bureau's 5-Year American Community Survey indicates that 2,200 residents of Bellefontaine Neighbors would lose representation if maps are drawn using an eligible voter standard. In the Riverview Gardens School District, 10,820 children and noncitizen immigrants would lose representation.

Our cities provide services to everyone in our community, and not counting everyone would have a significant impact on how our residents are represented — and who is represented — in the General Assembly.

Testimony provided to the General Assembly in the House General Laws Committee made clear that if Missouri maps are drawn based on the number of eligible voters, instead of the total population, there would be a discriminatory impact on the representation for voters of color. From that testimony, given by Nimrod Chapel, Jr. of the Missouri NAACP State Conference and Yurij Rudensky and Ethan Herenstein of the Brennan Center for Justice:

Apportioning on the basis of citizen voting age population (CVAP)—or any basis narrower than total population—would be discriminatory. Apportioning on the basis of CVAP would be discriminatory. The main proponent of CVAP-based apportionment was Thomas Hofeller, the architect behind racially discriminatory maps in North Carolina, Texas, Virginia, and other states, who explained in a memo made public after his death that apportioning on the basis of CVAP would be “advantageous to Republicans and Non-Hispanic whites.”⁴ Research proves that to be true in Missouri as well.

Over 90 percent of the people excluded from Missouri’s apportionment base under CVAP apportionment would be citizen children. Missouri’s citizen children are not evenly distributed across the state—in fact, Missouri’s communities of color skew younger than their white counterparts. As a result, these minority communities would suffer disproportionate representational losses if citizen children were excluded from the apportionment base.

For white communities, only 21 percent of their population is under eighteen years of age. But households in Black and Latino communities tend to include more children, with 26.7 percent and 37 percent of their respective populations aged under eighteen. In other words, more than a quarter of Missouri's Black community and more than a third of the state's Latino community simply would not count under a CVAP-based apportionment.

Furthermore, from the same public testimony:

[The voter-approved redistricting system in 2018's] Amendment 1 offers robust protections for communities of color in the redistricting process. Beyond those contained in the Voting Rights Act, Amendment 1 provides independent state-law protections that protect minority communities' ability to participate in the political process and elect their representatives of choice. While SJR 38 would retain some state-level protections, it significantly weakens them by eliminating Amendment 1's prohibition against making it harder for communities of color to elect representatives of their choice and its protection of coalitional districts where different communities can combine their voting strength. As a result, SJR 38 would leave minority communities more vulnerable during the redistricting process.

If SJR38 is fully implemented as intended by Sen. Hegeman, we should expect a significant impact on Missouri's small businesses and local government revenues, due to the dramatic change in who is represented, and due to the inevitable decline in economic activity that would come from passage and implementation of such a discriminatory redistricting system.

Thank you for your attention to this submission.

Respectfully,

A handwritten signature in black ink that reads "Tommie L. Pierson, Sr." The signature is written in a cursive, slightly slanted style.

Tommie L. Pierson, Sr.

Dan Vicuna, National Redistricting Manager, Common Cause provided the following information:

Public Comments on the Fiscal Impact of Amendment 3

Submitted by Dan Vicuna, Common Cause national redistricting manager
June 5, 2020

The provision of Amendment 3 that would require the drawing of state legislative districts based on counting only American citizens of voting age is a radical and discriminatory change that would intentionally target people of color by reducing their representation in the state legislature. National Republican political operatives began advocating for this approach to redistricting after an analysis completed by the late Thomas Hofeller, the Republican National Committee's redistricting director following the 2010 census. Analyzing population data from Texas as an example, Hofeller concluded in 2015 that drawing districts that include a count of only citizens of voting age "would be advantageous to Republicans and Non-Hispanic Whites."¹ In addition to reducing representation in Missouri communities with higher percentages of noncitizens, this change would disproportionately impact communities of color because of the number of children who would be not be counted. In Missouri, only one in five white Missourians are children.² However, that number jumps to one in four black Missourians and one in three Latino Missourians.³

Dale Oldham, Hofeller's business partner until Hofeller's death, has traveled to Missouri and directly consulted with legislative supporters of Amendment 3. If Missouri passes Amendment 3, it will be the only state in the United States to draw districts based on citizen voting age population and the first ever to exclude such large swaths of the population since the adoption of the 14th Amendment in 1868.

As the sole state in the country to adopt a radical and discriminatory approach to redistricting, Missouri would inevitably become ground zero for activism. The passage of unmistakably discriminatory laws targeting certain racial groups or members of the LGBTQ communities has frequently led to statewide economic boycotts costing or threatening costs of between \$100

¹ Michael Wines, *Deceased G.O.P. Strategist's Hard Drives Reveal New Details on the Census Citizenship Question*, N.Y. TIMES (May 30, 2019), <https://www.nytimes.com/2019/05/30/us/census-citizenship-question-hofeller.html> (quoting Thomas Hofeller).

² *American Community Survey 2018 5-Year Estimates Detailed Table: Sex by Age (White Alone)*, U.S. CENSUS BUREAU (last visited Jun. 4, 2020).

³ *American Community Survey 2018 5-Year Estimates Detailed Tables: Sex by Age (Black or African American Alone)*, U.S. CENSUS BUREAU (last visited Jun. 4, 2020), *American Community Survey 2018 5-Year Estimates Detailed Tables: Sex By Age (Hispanic or Latino)*, U.S. CENSUS BUREAU (last visited Jun. 4, 2020).

million and several billion dollars.⁴ The targeting of Missouri with economic boycotts that will have a significant fiscal impact is not just likely. It is inevitable.

Below are some examples of the significant fiscal impact on states that have targeted vulnerable communities for discrimination.

- **North Carolina:** In 2016, North Carolina Gov. Pat McCrory signed HB 2, the Public Facilities Privacy & Security Act. This bill targeted the transgender community by mandating that all government buildings using single-sex restrooms limit the use of those restrooms based on gender assigned at birth. Prior to its partial repeal in 2017, the Associated Press estimated that lost economic activity caused by protest boycotts would cost the state at least \$3.76 billion over a dozen years.⁵ By the end of 2017, lost business was estimated to cost the state \$525 million. A Forbes Magazine analysis estimated actual statewide losses of \$630 million by the November 2018 election.⁶ Actions in support of the boycott ranged from PayPal reversing course on expanding in the state,⁷ the NCAA moving basketball tournament games to other states,⁸ and entertainers cancelling concerts.
- **Indiana:** Indiana's Religious Freedom Restoration Act (RFRA), enacted in 2015, allowed businesses to discriminate against its customers based on sexual orientation by allowing businesses to claim that the discrimination is based on religious beliefs. The bill's passage cost the City of Indianapolis upwards of \$60 million as companies and conventions pulled out of the city,⁹ and was estimated to cost the state approximately \$256 million over six years.¹⁰ Jurisdictions such as Connecticut, Washington,¹¹ San

⁴ See *infra* text accompanying notes 5-15.

⁵ 'Bathroom Bill' to Cost North Carolina \$3.76 Billion, CNBC (Mar. 27, 2017), <https://www.cnbc.com/2017/03/27/bathroom-bill-to-cost-north-carolina-376-billion.html>.

⁶ Corrine Jurney, *North Carolina's Bathroom Bill Flushes Away \$630 Million In Lost Business*, FORBES (Nov. 3, 2016), <https://www.forbes.com/sites/corinnejurney/2016/11/03/north-carolinas-bathroom-bill-flushes-away-750-million-in-lost-business/#599c8bfc4b59>.

⁷ German Lopez, *Paypal Makes It Official: North Carolina's Anti-LGBTQ Law Will Cost the State Jobs*, Vox (Apr. 5, 2016), <https://www.vox.com/2016/4/5/11369334/paypal-lgbtq-north-carolina>.

⁸ Colleen Jenkins & Daniel Trotta, *Seeking End to Boycott, North Carolina Rescinds Transgender Bathroom Law*, REUTERS (Mar. 30, 2017), <https://www.reuters.com/article/us-north-carolina-lgbt/seeking-end-to-boycott-north-carolina-rescinds-transgender-bathroom-law-idUSKBN1711V4>

⁹ Brian Eason, *Official: RFRA Cost Indy up to 12 Conventions and \$60M*, INDYSTAR (Jan. 25, 2016), <https://www.indystar.com/story/news/politics/2016/01/25/official-rfra-cost-indy-up-12-conventions-and-60m/79328422/> (quoting Visit Indy, Indianapolis's nonprofit tourism arm).

¹⁰ Sarah McBride & Laura E. Durso, *Indiana's Religious Freedom Restoration Act is Bad for Business*, CENTER FOR AM. PROGRESS (Mar. 31, 2015), <https://www.americanprogress.org/issues/lgbtq-rights/news/2015/03/31/110232/indianas-religious-freedom-restoration-act-is-bad-for-business/>.

¹¹ Mary Ann Georgantopoulos, *Boycott Against Indiana's Religious Freedom Law Grows Across U.S.*, BUZZFEED NEWS (Apr. 1, 2015), <https://www.buzzfeednews.com/article/maryanngeorgantopoulos/here-are-the-celebrities-businesses-and-governments-boycotti>.

Francisco, and Seattle,¹² and also implemented boycotts of municipal funds spent in Indiana.

- **Arizona:** In 2010, Arizona began implementation of SB 1070, a bill targeting immigrants that was widely believed to increase racial profiling of Latinos in the state. Within a year of its passage, Arizona lost \$141 million in direct spending from convention cancellations alone and approximately \$253 million in lost economic output.¹³
- **Georgia:** In 2019, Georgia’s governor approved HB 481, a bill with strict limitations on the right to an abortion. This drew significant opposition from the entertainment industry, which generates \$9.5 billion per year in the state.¹⁴ The law is currently enjoined as it proceeds in litigation, which has limited the economic damage caused.
- **Texas:** Legislation in Texas targeting the LGBTQ community, such as a “bathroom bill” resembling North Carolina’s and a “religious liberty” bill similar to Indiana’s, put the state at risk of economic boycotts. The Texas Association of Business estimates that protests targeting Texas could cost the state up to \$8.5 billion and 185,000 jobs if such legislation passed.¹⁵

Passage of Amendment 3 would have a significant fiscal impact on the state of Missouri. Enshrining unprecedented discrimination into the Missouri Constitution will trigger a fierce backlash consistent with what other states have experienced. The Census Bureau estimated in 2018 that 22.5% of Missouri’s population – 1,471,488 people – are minors under the age of 18 and that 2.1% of the state’s population – 126,200 people – are noncitizens. The proposal to deny representation in the state legislature to all non-voters could adversely impact significantly more people than bills targeting undocumented immigrants or transgendered individuals and is, as result, far more likely to lead to severe fiscal consequences. The state auditor’s office has a responsibility to inform Missouri voters about the near-certain fiscal costs of passing a patently discriminatory measure.

¹² Jeremy Quittner, *Indiana Proves Why Discrimination is Bad for Business*, INC. (Mar. 30, 2015), <https://www.inc.com/jeremy-quittner/business-pressure-mounts-against-indiana-over-discrimination-law.html>.

¹³ MARSHALL FITZ & ANGELA KELLEY, STOP THE CONFERENCE THE ECONOMIC AND FISCAL CONSEQUENCES OF CONFERENCE CANCELLATIONS DUE TO ARIZONA’S S.B. 1070 (Center for American Progress Nov. 2010), https://cdn.americanprogress.org/wp-content/uploads/issues/2010/11/pdf/az_tourism_execsumm.pdf.

¹⁴ Myrdd Wells, *Hollywood’s (Threatened) Boycott of Georgia, Explained*, ATLANTA MAGAZINE (Jun. 3, 2019), <https://www.atlantamagazine.com/news-culture-articles/hollywoods-threatened-boycott-of-georgia-explained/>

¹⁵ TEXAS ASS’N OF BUS., KEEP TEXAS OPEN FOR BUSINESS: THE ECONOMIC IMPACT OF DISCRIMINATORY LEGISLATION ON THE STATE OF TEXAS <https://www.courthousenews.com/wp-content/uploads/2017/01/Bathroom-study.pdf>

Barry Greenberg, Mayor, City of Maplewood provided the following information:

State Auditor's Office
State Capitol, Rm 121
Jefferson City, MO 65101
fiscalnote@auditor.mo.gov

June 5, 2020

Auditor Galloway:

I don't understand the benefit of SJR38, sponsored by Dan Hegeman, not only does it negatively impact the representation of my city, it doesn't accurately reflect ours, or any other cities demographics. The legislature wants to pass anti-abortion legislation because every life is important. Apparently those lives are only important if they can serve a particular agenda.

The fiscal impact of SJR38 would be significant for local governments, small businesses, and state revenues if the population standard for state legislative maps is changed from using total population to a citizen voting-age population or eligible voter standard.

SJR38 Sponsor Dan Hegeman indicated on the Senate floor on January 29, 2020 that the intention of Section 3(a)(b)(1) in SJR38 (Page 4, Lines 43-54) is to move the state of Missouri away from using total population for state legislative maps, and instead use a new population standard of "the people that are able to vote."

Sometimes referred to as a citizen voting-age population (CVAP) standard, such a move would be a radical departure from how Missouri has drawn maps for at least 145 years. Drawing maps on anything other than the total population of Missouri would also be a departure from current practice in the United States. Right now, every state in America counts everyone for redistricting purposes.

If a citizen voting-age population standard is used in Missouri for state legislative plans, as Senator Hegeman said was his intention with SJR38, the impacts on the representation for local governments and political subdivisions would be significant.

The Census Bureau's 5-Year American Community Survey indicates that 1,695 or about 21% of Maplewood residents would lose their representation because they are children not yet eligible to vote, or because they are noncitizens. Maplewood provides services to all of our residents, and a significant change to which of our residents are counted in General Assembly districts would have a significant impact on who and how our residents are represented.

Testimony provided to the General Assembly in the House General Laws Committee made clear that if Missouri maps are drawn based on the number of eligible voters, instead of based on the total population, there would be a significant discriminatory impact on the representation of voters and communities of color.

We should expect a significant impact on Missouri's small businesses and Missouri's overall economy if maps are drawn in discriminatory way that disproportionately impacts Missourians

of Color. This smells of jerrymandering and it is not a pleasant odor emanating from Jefferson City.

The fiscal impact of SJR38 would be significant for local governments, small businesses, and state revenues if any population standard other than total population is used for state legislative Maps.

I can be reached at b-greenberg@cityofmaplewood.com. I appreciate your attention to this matter.

Respectfully,

Barry Greenberg

Barry Greenberg, Mayor
City of Maplewood, Missouri

Sean Soendker Nicholson provided the following information:

State Auditor's Office
State Capitol, Rm 121
Jefferson City, MO 65101
fiscalnote@auditor.mo.gov

June 6, 2020

To Whom It May Concern:

The passage and full implementation of SJR38 would have significant fiscal and economic impacts on the State of Missouri, on local governments, and on Missouri small businesses. The legislative debate on SJR38 illuminated many things about the goals and potential impact of the proposed constitutional amendment, and the fiscal note for SJR38 should reflect the potential cost of the proposal.

SJR38 removes the explicit requirement that state legislative maps be based on the total population of Missouri.

SJR38 asks Missouri voters to repeal three explicit requirements in the state constitution requiring that state senate and state house districts be based on the total population of the state. Section 3(a)(b)(1) on Page 4 on SJR38 proposes the following changes to the constitution:

Districts shall be ~~[established on the basis of total]~~ **as nearly equal as practicable in population**~~[. Legislative districts shall each have a total population as nearly equal as practicable to the ideal population for such districts, determined by dividing the number of districts to be established into the total population of the state reported in the federal decennial census], and shall be drawn on the basis of one person, one vote.~~

This would be a significant change to our current constitutional requirements with profound consequences for the people of Missouri. Instead of counting all constituents in our state for state legislative maps, as every state in the United States of America does now, SJR 38 seeks to make Missouri the first state in the Union to move away from counting everyone.¹ SJR38 would

¹ Nathaniel Persily et al., Brief of Nathaniel Persily, Bernard Grofman, Stephen Ansolabehere, Charles Stewart III, and Bruce E. Cain as Amici Curiae in Support of Appellees, No. 14-940, in the Supreme Court of the United States (September 25, 2015).

replace the current constitutional requirement that all Missourians be counted with a new standard, that state house and senate maps be drawn "on the basis of one person, one vote."

Missouri has based state legislative maps on total population since at least 1875.

Drawing maps on anything other than total population would be a radical departure from the standard that Missouri has used for at least 145 years.² Note the following passages from the Constitution of 1875:

The ratio of representation shall be ascertained at each apportioning session of the General Assembly, by dividing *the whole number of inhabitants of the State, as ascertained by the last decennial census of the United States...* (emphasis added)

SJR38 proposes a radical change to longstanding redistricting policy which would have significant impacts on representation if fully implemented.

Basing legislative maps on the number of eligible voters in Missouri is the explicit goal of the SJR38 sponsor Senator Dan Hegeman.

Senator Dan Hegeman was asked by Senator Jill Schupp to explain the intent of Section 3(a)(b)(1) of SJR38 during floor debate on the proposal in January. This was their exchange from January 29, 2020:

SCHUPP: My question to you is, when we're talking about populations, what does 'one person, one vote' mean? And why are you using that to substitute for using the census data as the way we determine how a district is drawn? In other words, are we counting everyone, are we counting the people who live in a district that do have a vote, for a variety of reasons, including that they are not old enough, including that they are not citizens? Tell me what that means, how are we coming up with the population —

HEGEMAN: What do you mean, noncitizens?

SCHUPP: How are we coming up with the population, are you tying it to who votes?

HEGEMAN: *We're looking at the people that vote. The people that are able to vote are the people that are counted. Not registered voters, but the opportunity to do that.* (emphasis added)

² Keith, Douglas. "Apportionment of State Legislatures, 1776-1920." *Brennan Center for Justice*. <https://www.brennancenter.org/our-work/research-reports/apportionment-state-legislatures-1776-1920>

Basing maps on the number of eligible voters — that is, on the citizen voting-age population of the state — would be a radical change from the standard Missouri has had on the books for (at least) the last 145 years.

Basing legislative maps on anything other than total population would be discriminatory.

Testimony submitted to the General Assembly ahead of the House General Laws Committee hearing on SJR38 makes clear that any movement away from using total population [would have a discriminatory impact on the representation for voters of color](#). In the testimony from the Missouri NAACP State Conference and Brennan Center for Justice:

Apportioning on the basis of citizen voting age population (CVAP)—or any basis narrower than total population—would be discriminatory. Apportioning on the basis of CVAP would be discriminatory. The main proponent of CVAP-based apportionment was Thomas Hofeller, the architect behind racially discriminatory maps in North Carolina, Texas, Virginia, and other states, who explained in a memo made public after his death that apportioning on the basis of CVAP would be “advantageous to Republicans and Non-Hispanic whites.”³ Research proves that to be true in Missouri as well.

Over 90 percent of the people excluded from Missouri’s apportionment base under CVAP apportionment would be citizen children. Missouri’s citizen children are not evenly distributed across the state—in fact, Missouri’s communities of color skew younger than their white counterparts. As a result, these minority communities would suffer disproportionate representational losses if citizen children were excluded from the apportionment base.

For white communities, only 21 percent of their population is under eighteen years of age. But households in Black and Latino communities tend to include more children, with 26.7 percent and 37 percent of their respective populations aged under eighteen. In other words, more than a quarter of Missouri’s Black community and more than a third of the state’s Latino community simply would not count under a CVAP-based apportionment. (*emphasis in original*)

Such an outcome would have a significant fiscal impact on the state of Missouri, on local governments, and on Missouri small businesses.

³ See Exhibit D to Letter Motion to Compel Defendants to Show Cause, *New York v. U.S. Dep’t of Commerce*, No. 18-cv-2921 (S.D.N.Y. May 31, 2019), ECF No. 595-1.

Basing legislative maps on anything other than total population would dramatically impact representation for political subdivisions.

As noted in the NAACP and Brennan Center testimony, removing more than 1.5 million Missourians from the population base for state house and state senate districts would have significant and profound consequences for political representation in Missouri, especially for communities with large numbers of children and communities of color which skew younger than their white counterparts.

Consider the Citizen Voting Age Population data from the Census Bureau's 2018 5-Year American Community Survey:

City	Total Residents	Citizens Over 18	Would Not Count
Kansas City	481,415	351,220	130,195
St. Louis	311,275	239,605	71,670
Springfield	166,635	133,445	33,190
Independence	117,205	87,980	29,225
Lee's Summit	96,325	68,630	27,695
Columbia	120,250	92,575	27,675
O'Fallon	86,340	60,835	25,505
St. Joseph	76,465	56,680	19,785
Blue Springs	54,370	38,420	15,950
St. Charles	69,575	54,770	14,805
Florissant	51,745	37,260	14,485
St. Peters	56,840	43,440	13,400
Chesterfield	47,665	34,980	12,685
Wentzville	37,485	24,935	12,550
Joplin	50,075	38,370	11,705
Wildwood	35,515	25,630	9,885
Jefferson City	43,015	33,275	9,740
Cape Girardeau	39,325	30,510	8,815
Ballwin	30,330	22,200	8,130
University City	34,655	26,555	8,100

The loss of representation would be especially profound in communities with many children. For instance:

- More than 1 in 3 residents of Carthage, Neosho and Wentzville would not count.
- More than 1 in 4 residents of Ballwin, Belton, Blue Springs, Bridgeton, Chesterfield, Creve Coeur, Dardenne Prairie, Eureka, Excelsior Springs, Ferguson, Florissant, Grain Valley, Grandview, Harrisonville, Jackson, Jennings, Kansas City, Kirkwood, Lebanon, Lee's Summit, Lemay, Manchester, Marshall, Maryland Heights, Mexico, Nixa, O'Fallon, Overland, Ozark, Poplar Bluff, Raymore, Republic, Rolla, Sedalia, Sikeston, Spanish Lake, St. Ann, St. Joseph, Troy, Union, Webb City, Webster Groves and Wildwood would not count.

This loss of representation would be significant and harmful to all of these communities.

Reducing the representation of a political subdivision would have significant consequences for the public policy of the state and the ability for Missourians to advocate for their interests.

Missouri counts everyone in state legislative districts now for good reason. "When people are excluded from the political process, they can't advocate for their own interests," writes Michael Latner of the Union of Concerned Scientists.⁴

David Kimball, Professor of Political Science at University of Missouri-St. Louis summarizes the academic research on what's at stake:

A loss of representation in the legislature leads to a decline in state funding for affected counties and municipalities. This happened in the United States before court decisions in the 1960s required legislative districts to be equal in population. Prior to the court rulings many states, including Missouri, had malapportioned legislatures with districts of vastly different populations. In malapportioned legislatures "rotten boroughs" (districts with relatively few residents) received a disproportionate share of state funding (Ansolabehere, Gerber, and Snyder 2003).⁵ After court rulings forced districts to be drawn with equal total population then state funding was distributed equally to local counties based on population (Ansolabehere and Snyder 2008).⁶ More generally, **areas that lose representation in legislative bodies are at a disadvantage in the**

⁴ Latner, Michael. 2019. "Our Unhealthy Democracy: How Voting Restrictions Harm Public Health—and What We Can Do About It." Cambridge, MA: Union of Concerned Scientists.
<https://www.ucsusa.org/resources/our-unhealthy-democracy>

⁵ Ansolabehere, Stephen, Alan Gerber, and Jim Snyder. 2003. "Equal Votes, Equal Money: Court-Ordered Redistricting and Public Expenditures in the American States." *American Political Science Review* 96:767-777.

⁶ Ansolabehere, Stephen, and James M. Snyder, Jr. 2008. *The End of Inequality: One Person, One Vote and the Transformation of American Politics*. New York: Norton.

distribution of government resources (Dragu and Rodden 2011⁷; Elis, Malhotra, and Meredith 2009).⁸ The potential for unequal distribution of government resources is exacerbated in states like Missouri where legislators are elected from single member districts (Snyder and Ueda 2007).⁹ **If SJR38 moves Missouri away from drawing legislative districts on the basis of total population then that will have a significant fiscal impact on local governments in Missouri.** (*emphasis added*)

Nicholas Stephanopoulos, Professor of Law at Harvard Law School echoes these thoughts: "Gerrymandering is not just about seats and votes; if you affect who gets elected, you affect which policies come out. Gerrymandering makes it possible to have a big distortion in what the public wants versus what the public gets."¹⁰

Underrepresented communities will receive less funding because they will be underrepresented in the General Assembly, and this will have significant long term implications for political subdivision budgets.

When states enact discriminatory policies, there are economic consequences: reduced tourism and business travel, threats of boycotts and actual boycotts, and new challenges for in-state business and universities trying to recruit talent.

When state legislatures pass discriminatory laws, there are significant economic consequences. SJR38 seeks to make Missouri the first state to move away from the current standard of counting everyone in redistricting. If it is passed and fully implemented, as Senator Hegeman articulated, we should expect a response from citizens, organizations, businesses and other governments that have the ability to redirect their travel, conference, and associated dollars. Consider:

- The Associated Press determined in 2017 that North Carolina's discriminatory House Bill 2 would cost the state more than \$3.76 billion in lost economic activity over a dozen years because of a strong public response to the law.¹¹

⁷ Dragu, Tiberiu, and Jonathan Rodden. 2011. "Representation and Redistribution in Federations." PNAS 108 (21):8601-8604.

⁸ Elis, Roy, Neil Malhotra, and Marc Meredith. 2009. "Apportionment Cycles as Natural Experiments." Political Analysis 17:358-376.

⁹ Snyder, Jim, and Michiko Ueda. 2007. "Do Multimember Districts Lead to Free-Riding?" Legislative Studies Quarterly 32:649-679.

¹⁰ "Research Matters: Nicholas Stephanopoulos on 'Partisan Gerrymandering and the Efficiency Gap.'" *The University of Chicago Law School*.

<https://www.law.uchicago.edu/news/research-matters-nicholas-stephanopoulos-partisan-gerrymandering-and-efficiency-gap>

¹¹ Dalesio, Emery and Jonathan Drew. "Price tag of North Carolina's LGBT law: \$3.76B." *The Associated Press*. March 27, 2017. <https://apnews.com/fa4528580f3e4a01bb68bcb272f1f0f8>

- Arizona lost significant economic activity after its state legislature passed a controversial immigration bill. One study "found a \$141 million hit to the convention and tourism industry in the four months after" the controversial law was signed.¹²
- Indiana's Religious Freedom Restoration Act (RFRA), enacted in 2015, would have allowed businesses to discriminate against its customers based on sexual orientation by shielding themselves with a claim of religious liberty. Its passage directly cost the City of Indianapolis upwards of \$60 million as companies and conventions pulled out of the city and was estimated to cost the state approximately \$256 million over six years.¹³ Jurisdictions such as San Francisco, Seattle, Connecticut, and Washington also implemented boycotts of municipal funds spent in Indiana.^{14 15}
- Legislation in Texas targeting the LGBTQ community, such as a "bathroom bill" resembling House Bill 2 in North Carolina and a "religious liberty" bill similar to Indiana, put the state at risk of similar boycotts. The Texas Association of Business estimates that protests targeting Texas if such legislation passed could cost the state up to \$8.5 billion and 185,000 jobs.¹⁶

Small business, local government budgets, and state government budgets are impacted when states enact discriminatory policies.

Based on the foregoing information, small businesses, local government budgets, and the state budget will be impacted in the following way.

Assumptions

- **A reduction of commerce and tourism would have a direct, tangible impact on sales tax and transient guest tax revenues.**

¹² Peralta, Eyder. "In Wake Of Immigration Law, Boycott Cost Arizona Millions." *National Public Radio*. November 18, 2010.

<https://www.npr.org/sections/thetwo-way/2010/11/18/131419707/in-wake-of-immigration-laws-boycott-cost-arizona-millions>.

¹³ McBride, Sarah and Laura E. Durso. "Indiana's Religious Freedom Restoration Act is Bad for Business". *Center For American Progress*. March 31, 2015.

<https://www.americanprogress.org/issues/lgbtq-rights/news/2015/03/31/110232/indianas-religious-freedom-restoration-act-is-bad-for-business/>.

¹⁴ Quittner, Jeremy. "Indiana Proves Why Discrimination is Bad for Business". *INC*. Mar. 30, 2015.

<https://www.inc.com/jeremy-quittner/business-pressure-mounts-against-indiana-over-discrimination-law.html>

¹⁵ Georgantopoulos, Mary Ann. "Boycott Against Indiana's Religious Freedom Law Grows Across U.S." *Buzzfeed News*. Apr. 1, 2015.

<https://www.buzzfeednews.com/article/maryanngeorgantopoulos/here-are-the-celebrities-businesses-and-governments-boycotti>

¹⁶ "Keep Texas Open for Business: The Economic Impact of Discriminatory Legislation on the State of Texas"

Texas Association of Business. <https://www.courthousenews.com/wp-content/uploads/2017/01/Bathroom-study.pdf>

- In Fiscal Year 2019, \$2,237,149,579 in state revenue came from Sales and Use Tax.¹⁷ If that was reduced by even 1%, that would mean a loss to the state of more than \$22,000,000.
- For Fiscal Year 2020, Jackson County estimates that it will receive \$49,434,000 in sales tax revenues.¹⁸ If these are reduced by even 1% in FY2021 or FY2022, that would cost the County almost \$500,000 per fiscal year.
- For Fiscal Year 2020, St. Louis County expects to receive \$383,400,000 in sales taxes and \$13,600,000 in lodging taxes.¹⁹ If these are reduced by even 1% in FY2021 or FY2022, that would cost the county almost \$4,000,000 per fiscal year.
- **The Committee on Legislative Research's fiscal note on SJR38²⁰ incorrectly assumes "the Nonpartisan State Demographer position will be eliminated if this joint resolution passes."** There is already a Missouri State Demographer working in the Office of Administration²¹, and nothing in SJR38 would bring about the termination of this position. SJR38 would change the responsibilities of the position only.
- **The Missouri Ethics Commission estimated²² in the fiscal note response for Initiative Petition 2018-048 that it would require up between \$61,107 and \$67,478 per year to inform impacted entities of changes to lobbyist gift rules and campaign finance rules.** SJR38 would change the lobbyist gift limit for \$5 while maintaining exemptions in the state constitution for gift acceptance, and will change campaign contribution limits by \$100 for state senate candidates only.
- **SJR38 significantly increases the number of partisan political appointees on both the house apportionment commission and the senatorial apportionment commission.** The existing senatorial apportionment commission will double in size, from 10 to 20 partisan commissioners. The existing house apportionment commission will increase from 16 to 20 partisan commissioners. The partisan commissions will now be required to meet as outlined in SJR38, and all 40 partisan commissioners will require reimbursement of expenses. This could be as much as \$50,000 in FY2020 and \$100,000 in FY2021.²³

¹⁷ "Monthly General Revenue Report, Month Ended June 28, 2019." *Missouri Department of Revenue*.

¹⁸ "2020 Jackson County Adopted Budget". <https://www.jacksongov.org/1174/2020-Adopted-Budget>

¹⁹ "Executive Summary - 2020 Recommended Budget." *St. Louis County*.
<https://www.stlouisco.com/Portals/8/docs/document%20library/budget/2020/Recommended%20Budget/Executive%20Summary%20-%202020%20Recommended%20Budget.pdf>

²⁰ SJR38 (2020), Fiscal Note, June 1, 2020

²¹ Office of Administration, Division of Personnel <https://oa.mo.gov/personnel/classification-specifications/0468>

²² Fiscal note for Initiative Petition 18-048, <https://app.auditor.mo.gov/Repository/Notes/18-048.pdf>

²³ SJR38 (2020), Fiscal Note, June 1, 2020

In Summary, if SJR38 passes the fiscal impact to state and local government budgets and small businesses could be significant.

State government entities will see annual operating costs increase by at least \$61,000, will have decennial costs by up to \$150,000 and will have a net fiscal impact starting in 2023 ranging from a loss of \$22,000,000 to an unknown but significant loss of revenue annually. Local governments expect sales and use tax and transient guest tax revenue to decrease significantly starting in 2023. Local businesses project a significant negative impact on tourism and sales leading to an unknown decrease in revenue.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'S. Nicholson', with a long horizontal stroke extending to the right.

Sean Soendker Nicholson
510 E 115th Ter
Kansas City, MO 64131

Caroline Fan, Chief Strategy Officer, USAKO Group provided the following information:

The fiscal impact of SJR 38 would be significant and severely impact local governments, small businesses, and state revenues if the state changed the standard for redistricting from counting to all residents to a citizen voting age method, which has never been used.

She worked as the Immigration Policy Specialist for the Progressive States Network during the 2008-2009 legislative session, and worked with then Arizona State Rep. Kyrsten Sinema on opposing the predecessor to Arizona's SB 1070 which was a "papers please" bill that insisted on checking everyone's citizenship during routine stops. It did not pass that year because they made it known that the cost of lawsuits and boycotts against the state and the economic impact of such discriminatory legislation would be devastating during the '08 recession. In 2010, when it did pass, the bill cost the state an estimated \$141 million in lost convention and tourism in the first four months alone. (https://www.eastvalleytribune.com/arizona/immigration/costly-sb-1070-brought-businesses-to-the-table/article_b506db80-6c53-11e0-8d84-001cc4c03286.html)

Now Missouri is posed to make the same type of mistake, by putting a first in the nation CVAP initiative on the ballot. **SJR 38 is far from budget neutral**, it will cause international corporations and startups to question whether they want to open branches and headquarters here. She now works in the startup world, where 55% of billion dollar startups have an immigrant founder or co-founder, according to Forbes. Missouri has done a decent job at trying to reposition itself as a startup hub within the Midwest. Arch Grants draws top talent from across the world to St. Louis with its non-dilutive \$50,000 grants. According to state's own "Show Me Jobs" report, startups account for 44,000 jobs annually. But immigrants and refugees are not going to want to move to a state where their voices are not valued. She knows this because she has participated in trade missions to Asia, and hosted diplomats and international investors and businesspeople here, some of which has been covered by the St. Louis Business Journal (<https://www.bizjournals.com/stlouis/news/2019/11/15/3-south-korean-startups-to-visit-st-louis-as-they.html>.)

Separate from the impact that SJR 38 will have on startups, it will have a significant fiscal impact on small businesses in the state. The American Immigration Council report in 2018 (<https://www.americanimmigrationcouncil.org/research/immigrants-in-missouri>) found that 14,795 immigrant business owners accounted for 5 percent of all self-employed Missouri residents in 2018 and generated \$397.7 million in business income. Additionally, **immigrant led households in the state had \$6.8 billion in spending power (after-tax income) in 2018, contributing billions to the state's economy** as consumers. They can expect that a measure like SJR 38 will cause some entrepreneurs to leave the state, or to choose other places to set up businesses.

Furthermore, Immigrant-led households in the state paid (<https://www.newamericaneconomy.org/locations/>) \$1.9 billion in federal taxes and \$790.8 million in state and local taxes in 2018.

SJR 38 would also negatively impact the desire of international students to enroll in Missouri schools. Last week, Gov. Parson made an additional \$41 million of cuts to higher education in the state, but the state's 23,014 international students here (#13 out of 50 states) had an economic impact of more than \$627 million in 2018 according to the Institute for International Education. (<https://dhewd.mo.gov/newsapp/newsitem/uuid/5cd3c806-0a4e-4bf1-87fc-145fa2edfe98>) None of these international students would count for redistricting, and they are vital to our state's economy – those who stay open up small businesses.

In St. Louis County where she lives, 252,445 kids and noncitizens (25.3% of the population) would lose representation. In districts with high Asian American student enrollment, the percentage is even greater:

- Parkway C-2 School District: 37,917 residents would lose representation (26.4% of district population)

- Ladue School District: 8,609 (30.8%)

Finally, she is commenting as the wife of a physician who came here for his job at WashU/ Barnes, for a department that is #1 or #2 in his field nationally. But most medical workers who come here are not working jobs at that level. 28% of physicians are immigrants. Missouri has a gigantic shortage of physicians – so much so that the General Assembly enacted a bill in 2014 to make it easier for doctors to come here. Doctors and nurses are highly sought after and can have their choice of where to live and practice. All things being equal, why would they pick a state where they and their families are discriminated against? They wouldn't, and don't.

The fiscal impact of SJR38 would be significant for local governments, small businesses, and state revenues if any population standard other than total population is used for state legislative maps.

Otto Fajen, Legislative Director, Missouri National Education Association provided the following information:



Missouri National Education Association
1810 East Elm Street
Jefferson City, MO 65101

June 5, 2020

Office of the Missouri State Auditor
P.O. Box 869
Jefferson City, MO 65102

Dear Auditor Galloway:

SJR 38 would enact significantly discriminatory policies, leave minority communities more vulnerable during the redistricting process, and erase language expressly requiring that districts be established on the basis of total population. The national and international backlash from such a policy is likely to have a significant and adverse impact on the state's economy and reduce state and local government revenues.

Apportioning based on citizen voting-age population (CVAP)—or any basis narrower than total population—would be discriminatory. The leading proponent of CVAP-based apportionment was Thomas Hofeller, the architect behind racially discriminatory maps in North Carolina, Texas, Virginia, and other states, who explained in a memo made public after his death that apportioning based on CVAP would be “advantageous to Republicans and Non-Hispanic whites.”

Over 90 percent of the people excluded from Missouri's apportionment base under CVAP apportionment would be *citizen children*. Missouri's citizen children are not evenly distributed across the state, Missouri's communities of color skew younger than their white counterparts. As a result, these minority communities would suffer disproportionate representational losses if citizen children were excluded from the apportionment base.

Even if Missouri were to institute an apportionment base that did not exclude children, apportioning on the basis of citizens alone would also be discriminatory. Cutting out noncitizens while including citizen children would render the purported justification—counting only the “people that are able to vote”—mere pretext. Considering that noncitizens—like many other constituents—pay taxes, contribute to their communities, raise citizen children, and may soon become voters themselves, there is no plausible justification for a citizen-based apportionment other than discriminatory anti-immigrant sentiment.



States that adopt such blatantly discriminatory policies are likely to see severe reactions that adversely affect the state, its economy, and its government. Enactment of overtly discriminatory policies can lead companies to abort current plans to locate new business sites within the state and to rule the state out of future consideration for business expansion. This costs the state economy the direct jobs of the new business, indirect growth from supporting businesses, and the increased economic effect of those supporting businesses in the remainder of the economy. The loss of a new employer's 500-job site will likely cost the state about \$200 million in economic activity and could cost the state several million dollars in payroll taxes.

Further, the tourism industry, in particular, representing a very significant \$17 billion out of Missouri's roughly \$300 billion economy, may be targeted with convention, travel, and tourism boycotts if the state adopts a discriminatory policy. A 10% reduction in the tourism sector would represent a loss of \$1.7 billion in economic activity and would have a noticeable impact on Missouri workers, related businesses, and state and local governments.

Finally, this discriminatory redistricting policy is likely to reduce state funding for affected counties and municipalities with a greater proportion of the uncouneted total population. Areas that lose representation or have diluted representation are at risk of receiving a lesser distribution of public funds and services. The skewed representation that SJR 38 could create is analogous to what happened in Missouri and other states before court action requiring legislative districts to be equal in population. With districts representing significantly different populations, those jurisdictions with more uncouneted residents are likely to be at a disadvantage and experience an adverse fiscal impact over the long term. ***When children do not count the cost to local governments and neighborhood schools are significant.***

A comprehensive analysis of the fiscal impact of SJR 38 should give due consideration to the likelihood of the adverse impacts caused by these reactions.

Respectfully submitted,

Otto Fajen
Legislative Director
Missouri National Education Association

The State Auditor's office did not receive a response from **Adair County, Boone County, Callaway County, Cass County, Clay County, Cole County, Jasper County, St. Charles County, Taney County, the City of Cape Girardeau, 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 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, and St. Louis Community College.**

Fiscal Note Summary

State governmental entities expect no cost or savings. Individual local governmental entities expect significant decreased revenues of a total unknown amount.