

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5729-06  
Bill No.: SCS for SB Nos. 817 & 774  
Subject: Elections; Secretary of State  
Type: Original  
Date: April 13, 2012

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Bill Summary: This proposal modifies the laws relating to initiative and referendum petitions.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
General Revenue	(\$35,750)	(\$35,750)	(\$35,750)
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>(\$35,750)</b>	<b>(\$35,750)</b>	<b>(\$35,750)</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2013	FY 2014	FY 2015
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 7 pages.

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2013</b>	<b>FY 2014</b>	<b>FY 2015</b>
<b>Local Government</b>	<b>(Unknown)</b>	<b>(Unknown)</b>	<b>(Unknown)</b>

## FISCAL ANALYSIS

### ASSUMPTION

Officials at the **Office of the Secretary of State (SOS)** assume this proposal will require SOS to send signature pages to local election authorities to verify at least 2,000 signatures showing support for a initiative petition. Based on the current number of submittals of initiative petitions this would cost an average of \$35,750 per year. This is based on 143 initiative petitions submitted for the 2012 election cycle paying staff \$15 dollars an hour to check 286,000 signatures over a two year time period.

**SOS** assumes this proposal requires the SOS to post the petition along with the full text of the proposed measure on its website within two days of receipt of the petition. This date should be clarified to mean either two business days or extended to allow for the SOS to have sufficient enough time to comply with this section if passed for petitions submitted on Fridays or days before State Holidays to prevent staff from working overtime. This could incur an unknown cost for the SOS.

**Oversight** assumes SOS could absorb the cost of posting information on the website with existing resources.

Officials at **Legislative Research** assume that additional Joint Committee on Legislative Research meetings to have the hearings required by this proposal, could cost approximately \$3,000 each if held during the interim. This assumes an average of \$150 expense in travel, hotel and food for each of the 20 members of the committee. LR assumes they could absorb the once a year expense with existing resources.

**Oversight** assumes that the Joint Committee on Legislative Research will only need to meet once during the general election cycle to have the required hearings.

Officials from the **Department of Corrections (DOC)** stated that they could not predict the number of new commitments which could result from the creation of the offense(s) outlined in the proposal. An increase in commitments would depend on the utilization of prosecutors and the actual sentences imposed by the courts. If additional persons were sentenced to the custody of the DOC due to the provisions of this legislation, the DOC would incur a corresponding increase in operational costs through supervision provided by the Board of Probation and Parole (FY 2011 average \$5.03 per offender, per day or an annual cost of \$1,836).

ASSUMPTION (continued)

In summary, supervision by the DOC through probation would result in some additional costs, but it is assumed the impact would be \$0 or a minimal amount that could be absorbed within existing resources.

Officials at the **Kansas City Board of Election Commission, Missouri Ethics Commission, Office of Prosecution Services, Office of the State Auditor, Office of State Courts Administrator, Office of the State Public Defender** and the **Platte County Board of Election Commission** assume there is no fiscal impact from this proposal.

Officials at the **Office of Attorney General** assume that any potential costs arising from this proposal can be absorbed with existing resources.

Officials from the **Office of the Secretary of State (SOS)** state many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$2,500. The SOS recognizes that this is a small amount and does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the office can sustain with the core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process.

Officials at the following board of election commissions: St. Louis City Board of Election Commission, Clay County Board of Election Commission, Jackson County Board of Election Commission and the St. Louis County Board of Election Commission did not respond to **Oversight's** request for fiscal impact.

Officials at the following counties: Andrew, Barry, Bates, Boone, Buchanan, Butler, Callaway, Camden, Cape Girardeau, Carroll, Cass, Clay, Cole, Cooper, DeKalb, Franklin, Greene, Hickory, Holt, Jackson, Jasper, Jefferson, Johnson, Knox, Laclede, Lafayette, Lawrence, Lincoln, Marion, Miller, Moniteau, Monroe, Montgomery, New Madrid, Nodaway, Ozark, Pemiscot, Perry,

ASSUMPTION (continued)

Phelps, Platte, Pulaski, Scott, St. Charles, St. Louis, St. Francois, Taney, Texas, Warren, Wayne and Webster did not respond to **Oversight's** request for fiscal impact.

**Oversight** will show an unknown negative impact to the local election authorities for the verification of the signatures.

<u>FISCAL IMPACT - State Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
<b>GENERAL REVENUE</b>			
<u>Cost - Secretary of State petition verification costs</u>	<u>(\$35,750)</u>	<u>(\$35,750)</u>	<u>(\$35,750)</u>
<b>ESTIMATED NET EFFECT ON GENERAL REVENUE</b>	<b><u>(\$35,750)</u></b>	<b><u>(\$35,750)</u></b>	<b><u>(\$35,750)</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2013 (10 Mo.)	FY 2014	FY 2015
<b>LOCAL ELECTION AUTHORITY FUNDS</b>			
<u>Cost- Local Election Authorities expenses of petition verification</u>	<u>(Unknown)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
<b>ESTIMATED NET EFFECT ON LOCAL ELECTION AUTHORITY FUNDS</b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>	<b><u>(Unknown)</u></b>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

### FISCAL DESCRIPTION

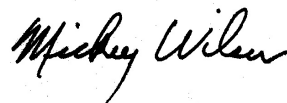
If the form of petition is approved, the circulator shall submit between 1,000 and 2,000 sponsoring signatures to the Secretary of State within 45 days of approval. The Secretary of State shall send the signatures to the election authorities for verification within 5 days to be verified by the election authorities within 15 days. If the sponsoring signatures are verified, the Secretary of State shall notify the circulator and accept public comment regarding the proposed measure. The Secretary has 23 days from certification of the sponsoring signatures to prepare the summary statement. After the sponsoring signatures are verified, the circulator is then authorized to collect signatures in the amount required under current law to have the provision placed on the ballot.

Within 30 days of certification that the circulator has the required signatures to have the provision placed on the ballot, the Joint Committee on Legislative Research shall hold an informational public hearing to take public testimony of those in support of and in opposition to the position.

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

### SOURCES OF INFORMATION

Department of Corrections  
Kansas City Board of Election Commission  
Missouri Ethics Commission  
Office of Prosecution Services  
Office of the Secretary of State  
Office of the State Auditor  
Office of State Courts Administrator  
Office of the State Public Defender  
Platte County Board of Election Commission



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