

MISSOURI STATE AUDITOR'S OFFICE

FISCAL NOTE (26-070)

Subject

Initiative Petition from Spencer Toder regarding a proposed constitutional amendment to Article IX. (Received July 03, 2025)

Date

July 23, 2025

Description

This proposal would amend Article IX of the Missouri Constitution.

The amendment is to be voted on in November 2026.

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 Commerce and Insurance**, the **Department of Conservation**, the **Department of Corrections**, the **Department of Economic Development**, the **Department of Elementary and Secondary Education**, the **Department of Health and Senior Services**, the **Department of Higher Education and Workforce Development**, the **Department of Labor and Industrial Relations**, the **Department of Mental Health**, the **Department of National Guard**, the **Department of Natural Resources**, the **Department of Public Safety**, the **Department of Revenue**, the **Department of Social Services**, the **Department of Transportation**, the **Governor's Office**, the **Missouri House of Representatives**, the **Missouri Senate**, the **Office of Administration**, the **Office of State Courts Administrator**, the **Office of the State Public Defender**, the **Secretary of State's Office**, the **State Treasurer's Office**, **Adair County**, **Andrew County**, **Atchison County**, **Audrain County**, **Barry County**, **Barton County**, **Bates County**, **Benton County**, **Bollinger County**, **Boone County**, **Buchanan County**, **Butler County**, **Caldwell County**, **Callaway County**, **Camden County**, **Cape Girardeau County**, **Carroll County**, **Carter County**, **Cass County**, **Cedar County**, **Chariton County**, **Christian County**, **Clark County**, **Clay County**, **Clinton County**, **Cole County**, **Cooper County**, **Crawford County**, **Dade County**, **Dallas County**, **Daviess County**, **DeKalb County**, **Dent County**, **Douglas County**, **Dunklin County**, **Franklin County**, **Gasconade County**, **Gentry County**, **Greene County**, **Grundy County**, **Harrison County**, **Henry County**, **Hickory County**, **Holt County**, **Howard County**, **Howell County**, **Iron County**, **Jackson County**, **Jasper County**, **Jefferson County**, **Johnson County**, **Knox County**, **Laclede County**, **Lafayette County**, **Lawrence County**, **Lewis County**, **Lincoln County**, **Linn County**, **Livingston County**, **Macon County**, **Madison County**, **Maries County**, **Marion County**, **McDonald County**, **Mercer County**, **Miller County**, **Mississippi County**, **Moniteau County**, **Monroe County**, **Montgomery County**, **Morgan County**, **New Madrid County**, **Newton County**, **Nodaway County**, **Oregon County**, **Osage County**, **Ozark County**, **Pemiscot County**, **Perry County**, **Pettis County**, **Phelps County**, **Pike County**, **Platte County**, **Polk County**, **Pulaski County**, **Putnam County**, **Ralls County**, **Randolph County**, **Ray County**, **Reynolds County**, **Ripley County**, **Saline County**, **Schuyler County**, **Scotland County**, **Scott County**, **Shannon County**, **Shelby County**, **St. Charles County**, **St. Clair County**, **St. Francois County**, **St. Louis County**, **Ste. Genevieve County**, **Stoddard County**, **Stone County**, **Sullivan County**, **Taney County**, **Texas County**, **Vernon County**, **Warren County**, **Washington County**, **Wayne County**, **Webster County**, **Worth County**, **Wright County**, the **City of Cape Girardeau**, the **City of Columbia**, the **City of Jefferson City**, the **City of Joplin**, the **City of Kansas City**, the **City of Kirksville**, the **City of Mexico**, the **City of Raymore**, the **City of Springfield**, the **City of St. Joseph**, the **City of St. Louis**, the **City of Union**, the **City of Wentzville**, the **City of West Plains**, **Cape Girardeau 63 School District**, **Hannibal School District #60**, **Jennings School District**, **Malta Bend R-V School District**, **Mehlville School District**, **Wellsville-Middletown R-1 School District**, **Harris-Stowe State University**, **Lincoln University**, **Metropolitan Community College**, **Missouri Southern State University**, **Missouri State University**, **Missouri Western State University**, **Northwest Missouri State University**, **Southeast Missouri State University**, **St. Louis Community College**, **State Technical College of Missouri**, **Truman State University**, **University of Central Missouri**, **University of Missouri**, the **Missouri Municipal League**, and the **Municipal League of Metro St. Louis**.

Assumptions

Officials from the **Attorney General's Office** indicated in response to questions regarding the response submitted on the following page:

The positions would be new positions, so our projections would be annual costs.

Assuming this would be on the Nov. '26 ballot – we estimate prorated costs for FY '27 of \$245,217, with FY'28 estimated costs of \$427,516.

Proposed Amendment	Fiscal Impact to AGO	Notes on Fiscal Impact	Areas Impacted	Legal Expense Fund (LEF) Impact of Proposal
26-070 Article IX	<p>4 FTE: 2 AAG I 1 Paralegal 1 Legal Secretary</p> <p>Total FY2027 PS & EE costs associated with 4 FTE: (\$420,372)</p>	<p>In addition to the listed resources, depending on the amount and size of lawsuits filed, it is very possible internal resources would also need to be shifted to handle these types of cases which takes away from other matters handled by the AGO.</p>	<p>Civil & Special Litigation.</p> <p>The proposed language is fairly broad and somewhat ambiguous – this is likely to lead to regular litigation. Given the proposal, it is reasonable to assume cases filed may vary from fairly large and complex class action type lawsuits to individuals on a pro se basis. The fairly complex lawsuits could impact and require resources from multiple sections.</p>	<p>Given the nature of the proposal, it is most likely the State would see lawsuits requiring some sort of declaratory and injunctive relief, or we might see agency proceedings against DESE (or another education agency), rather than cases that strictly ask for damages. However, the LEF does have to cover fees – including attorney fees for the types of cases mentioned above. Attorney fees, especially in complex lawsuits, can run into the \$100k+ all the way up to 1 million+. Therefore, the impact to the LEF could be substantial.</p> <p>Total impact to LEF: Unknown, could exceed \$1,000,000</p>

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

Officials from the **Department of Commerce and Insurance** indicated no fiscal impact.

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

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

Officials from the **Department of Economic Development** indicated no fiscal impact.

Officials from the **Department of Elementary and Secondary Education** indicated no fiscal impact.

Officials from the **Department of Health and Senior Services** indicated no fiscal impact.

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

Officials from the **Department of Labor and Industrial Relations** indicated no fiscal impact.

Officials from the **Department of Mental Health** indicated no fiscal impact.

Officials from the **Department of National Guard** indicated no fiscal impact.

Officials from the **Department of Natural Resources** indicated no fiscal impact.

Officials from the **Department of Public Safety** indicated no fiscal impact.

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

Officials from the **Department of Social Services** indicated no fiscal impact.

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

Officials from the **Governor's Office** indicated no fiscal impact.

Officials from the **Missouri House of Representatives** indicated no fiscal impact.

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

Officials from the **Office of Administration** indicated no fiscal impact.

Officials from the **Office of State Courts Administrator** indicated no fiscal impact.

Officials from the **Office of the State Public Defender** indicated 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, Referendums are submitted to the people at the next general election. Article III section 52(b) of the Missouri Constitution authorizes the general assembly to order a special election for measures referred to the people. If a special election is called to submit a Referendum to a vote of the people, Section 115.063.2 RSMo. requires the state to pay the costs. The cost of the special election has been estimated to be \$8 million based on the cost of the 2024 primary and general election reimbursements.

The Secretary of State's office is required to pay for publishing in local newspapers the full text of each statewide ballot measure as directed by Article XII, Section 2(b) of the Missouri Constitution and Section 116.230-116.290, RSMo. Funding for this item is adjusted each year depending upon the election cycle. A new decision item is requested in odd numbered fiscal years and the amount requested is dependent upon the estimated number of ballot measures that will be approved by the General Assembly and the initiative petitions certified for the ballot. In FY 2014, the General Assembly changed the appropriation so that it was no longer an estimated appropriation.

For the FY24 petitions cycle, the SOS estimates publication costs at \$60,000 per page. This amount is subject to change based on number of petitions received, length of those petitions and rates charged by newspaper publishers.

The Secretary of State's 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, we reserve the right to request funding to meet the cost of our publishing requirements if the Governor and the General Assembly again change the amount or continue to not designate it as an estimated appropriation.

If you have any questions, please contact Scott Pauley 573-526-0703.

Officials from the **State Treasurer's Office** indicated no fiscal impact.

Officials from **Bates County** indicated no fiscal impact.

Officials from **Carter County** indicated no fiscal impact.

Officials from **Clay County** indicated no fiscal impact.

Officials from **Greene County** indicated no fiscal impact.

Officials from **Johnson County** indicated no fiscal impact.

Officials from **Macon County** indicated no fiscal impact.

Officials from **Madison County** indicated no fiscal impact.

Officials from **Osage County** indicated no fiscal impact.

Officials from **Pike County** indicated no fiscal impact.

Officials from **Ralls County** indicated no fiscal impact.

Officials from **Schuyler County** indicated no fiscal impact.

Officials from **St. Clair County** indicated no fiscal impact.

Officials from **St. Louis County** indicated no fiscal impact.

Officials from **Wayne County** indicated no fiscal impact.

Officials from the **City of Kansas City** indicated no fiscal impact.

Officials from the **City of Wentzville** indicated no fiscal impact.

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

Officials from **Missouri State University** indicated no fiscal impact.

Officials from **Southeast Missouri State University** indicated:

The proposal could have a potential fiscal impact of an undetermined amount on Southeast Missouri State University. Based on fall 2024 enrollments, students at SEMO between the ages of 18-21 years old had total institutional charges of approximately \$33,500,000 for the fall 2024 semester. Assuming the proposal would require the University to waive these charges, and these dollars are not replaced by increases to core state appropriations or other assistance from the State, there will be a negative fiscal impact to the University potentially exceeding \$60,000,000 annually. The estimated impact is based on the limited language included in the proposal. The impact could change depending on a number of factors, including but not limited to, the intended beneficiaries of the proposal and whether the phrase "free public schools" and the language "gratuitous instruction of all persons in this state within age not in excess of twenty-one years as prescribed by law" extends to public institutions of higher education and individuals attending them in Missouri.

In response to a question about the age limit in the proposal not being a new addition, the university provided the following response:

Correct. The presumption is the intent is that this would apply to K-12 education, however, given the limited wording, lack of clarity, and no definitions, we are assuming it may apply to higher education as well; thus, the response. *

Officials from **St. Louis Community College** indicated no fiscal impact.

Officials from **University of Missouri** indicated no fiscal impact.

The State Auditor's office did not receive a response from **Adair County, Andrew County, Atchison County, Audrain County, Barry County, Barton County, Benton County, Bollinger County, Boone County, Buchanan County, Butler County, Caldwell County, Callaway County, Camden County, Cape Girardeau County, Carroll County, Cass County, Cedar County, Chariton County, Christian County, Clark County, Clinton County, Cole County, Cooper County, Crawford County, Dade County, Dallas County, Daviess County, DeKalb County, Dent County, Douglas County, Dunklin County, Franklin County, Gasconade County, Gentry County, Grundy**

County, Harrison County, Henry County, Hickory County, Holt County, Howard County, Howell County, Iron County, Jackson County, Jasper County, Jefferson County, Knox County, Laclede County, Lafayette County, Lawrence County, Lewis County, Lincoln County, Linn County, Livingston County, Maries County, Marion County, McDonald County, Mercer County, Miller County, Mississippi County, Moniteau County, Monroe County, Montgomery County, Morgan County, New Madrid County, Newton County, Nodaway County, Oregon County, Ozark County, Pemiscot County, Perry County, Pettis County, Phelps County, Platte County, Polk County, Pulaski County, Putnam County, Randolph County, Ray County, Reynolds County, Ripley County, Saline County, Scotland County, Scott County, Shannon County, Shelby County, St. Charles County, St. Francois County, Ste. Genevieve County, Stoddard County, Stone County, Sullivan County, Taney County, Texas County, Vernon County, Warren County, Washington County, Webster County, Worth County, Wright County, the City of Cape Girardeau, the City of Columbia, the City of Jefferson City, the City of Joplin, the City of Kirksville, the City of Mexico, the City of Raymore, the City of Springfield, the City of St. Joseph, the City of St. Louis, the City of Union, the City of West Plains, Cape Girardeau 63 School District, Hannibal School District #60, Jennings School District, Malta Bend R-V School District, Mehlville School District, Wellsville-Middletown R-1 School District, Harris-Stowe State University, Lincoln University, Missouri Southern State University, Missouri Western State University, Northwest Missouri State University, State Technical College of Missouri, Truman State University, University of Central Missouri, the Missouri Municipal League, and the Municipal League of Metro St. Louis.

*** Explanation of Exclusion of Fiscal Note Information From the Fiscal Note Summary**

The State Auditor's Office is excluding the specific fiscal impact amount presented by Southeast Missouri State University because university officials also indicate the fiscal impact is an undetermined amount that could change based on various factors noted in the response. The potential fiscal impact will be reflected as unknown.

Fiscal Note Summary

Southeast Missouri State University estimates an unknown fiscal impact. The Attorney General's Office estimates annual increased operating costs of at least \$427,516 and unknown costs to the Legal Expense Fund that could exceed \$1 million. Other state governmental entities estimate no costs or savings. Local governmental entities estimate no costs or savings.