



**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**

Fiscal Note On: **HB 248** HLS 24RS 47  
 Bill Text Version: **ORIGINAL**  
 Opp. Chamb. Action:  
 Proposed Amd.:  
 Sub. Bill For.:

<b>Date:</b> April 16, 2024	12:41 PM	<b>Author:</b> GREEN
<b>Dept./Agy.:</b> Elected officials		
<b>Subject:</b> Compensation commission		<b>Analyst:</b> Tanesha Morgan

ELECTED OFFICIALS/COMP OR INCREASE GF EX See Note Page 1 of 1  
 (Constitutional Amendment) Creates a compensation commission to provide for the salary and other compensation of elected officials and further provides for an automatic adjustment at the beginning of each new term of office based upon Proposed constitutional amendment establishes a compensation commission as an independent office within the office of the legislative auditor and requires the legislative auditor to provide staff support to the commission. Requires the legislature to make adequate annual appropriations for the compensation commission to fulfill its duties efficiently and effectively. Provides that the commission is composed as provided by law of not more than 15 members who serve one 10-year term, after which the commission ceases to exist. Requires the commission to examine, evaluate, and establish the salary and other compensation for each elected official whose salary or other compensation is established pursuant to present law as of Jan. 1, 2024. Proposed constitutional amendment requires the commission to complete a comprehensive review and evaluation of the salary and other compensation for each office or class of offices within its purview at least once.

EXPENDITURES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	<b>INCREASE</b>	
<b>Annual Total</b>						
REVENUES	2024-25	2025-26	2026-27	2027-28	2028-29	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

The proposed constitutional amendment is anticipated to increase SGF expenditures by approximately \$56,143 (\$39,021 salaries and \$17,122 related benefits) within the Legislative Auditor associated with hiring a research assistant to support the Compensation Commission. The proposed constitutional amendment creates the Compensation Commission within the Legislative Auditor. Members of the council do not receive compensation. However, the bill provides that the legislative auditor shall provide necessary staff support to the commission.

In future fiscal years, there may be additional costs associated with potential increases in elected officials' salaries and compensation. If the commission recommends increases in salaries or other compensation for elected officials, this would result in higher ongoing costs for the state and/or local governments. For illustrative purposes, in 2015, the Independent Citizens Commission in Arkansas recommended salary adjustments for 15 out of 16 offices or classes of offices for elected officials. The increases ranged from 11% to 153%.


The Secretary of State may incur minimal ballot processing costs associated with this measure. As a regular practice, the Secretary of State typically budgets for up to 10 constitutional amendments and statewide propositions for the fall statewide elections. To the extent the ballot includes more than 10 constitutional amendments and statewide propositions, the Secretary of State may require additional SGF resources for the November 5, 2024, statewide election. Any expenditure impact would be realized in FY 25.

**REVENUE EXPLANATION**

There is no anticipated direct material effect on governmental revenues as a result of this measure.

Senate Dual Referral Rules  
 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}  
 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}

House  
 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}  
 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

  
**Patrice Thomas**  
 Deputy Fiscal Officer