

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 800** HLS 24RS 895
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 25, 2024	6:22 PM	Author: BEAULLIEU
Dept./Agy.: Legislature		
Subject: Constitutional convention		Analyst: Tanesha Morgan

CONSTITUTION/CONVENTION EG INCREASE GF EX See Note Page 1 of 1
 Provides for calling a limited constitutional convention

Proposed law provides for a constitutional convention to draft a new state constitution. The convention would convene on May 20, 2024, with 171 delegates consisting of 105 House members, 39 Senators, and 27 appointees selected by the governor. Delegates and staff are subject to ethics laws, public records laws, and the criminal code, with any vacancies filled by appointment. The convention has authority to frame a new constitution, subject to certain limitations. Proposed law provides that an executive committee shall handle the convention's organization, staff, budget, and committees, with the legislature providing funding and the convention being subject to review by the legislative auditor. Proposed law prohibits a delegate from accepting any compensation for work performed as a delegate to the convention. Proposed law requires the convention, upon completion of its work to submit to the governor the proposed constitution by June 3, 2024 and allows an extension of this deadline, but not beyond July 15, 2024.

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

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

EXPENDITURE EXPLANATION

The proposed legislation will result in a significant increase in SGF expenditures, primarily per diem and staffing costs. The cost relative to the expenses of convening a constitutional convention cannot be accurately estimated due to variables such as the number of meeting days, the costs for supplies, materials, equipment, printing, security, compensation for the staff, and all other necessary expenses incurred in connection with the convention and its work. SGF costs are discussed below.

Delegates will receive per diem and travel expenses. The current legislative per diem rate is \$166 and the cost of related benefits (7.65% FICA tax) is approximately \$13 for a daily cost of approximately \$179 or \$25,776 (\$179 X 144 members) per day.

	No. of Delegates	Per Diem	Daily Costs	No. of Days	Total Costs
<i>May 20 - June 2*</i>					
Other delegates	27	x \$179 =	\$4,833	x 13 =	\$62,829
<i>June 3 - July 15</i>					
Legislators	144	x \$179 =	\$25,776	x 42 =	\$1,276,000
Other delegates	27	x \$179 =	\$4,833	x 42 =	<u>\$202,986</u>
Maximum diem costs					<u>\$1,541,815</u>

*The legislature is anticipated to be in session during this period, so there is no additional per diem costs for legislators.

The Legislative Auditor has indicated the cost of providing an audit of the financial books and records of the constitution convention is estimated to be \$20,000 to \$30,000; however, the actual cost depends on the scope of the audit.

The Secretary of State budgets for statewide primary elections as regular practice and any costs associated with the Nov. 15th election will be absorbed within the agency's budget.

The Ethics Administration indicated there could be additional postage costs associated with mailing notice of delinquency letters if delegates fail to file or fail to file timely. Any increase in postage costs will likely be absorbed by the agency.

REVENUE EXPLANATION

The proposed legislation grants the convention the authority to accept grants, donations or gifts of money and services from public and private sources to defray the expenses of the convention. The amount that may be received from non-governmental entities, if any, cannot be estimated.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}


Patrice Thomas
Deputy Fiscal Officer