

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 292** HLS 14RS 776
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: March 13, 2014 3:25 PM	Author: ABRAMSON
Dept./Agy.: Legislature	Analyst: Willie Marie Scott
Subject: Limited Constitutional Convention	

CONSTITUTION/CONVENTION OR INCREASE GF EX See Note Page 1 of 2
 (Constitutional Amendment) Provides relative to the authority for redistricting the legislature.

The proposed legislation creates the Evaluation & Drafting Committee, comprised of 13 members, to determine if a constitutional convention is needed. If a constitutional convention is determined to be needed, the committee shall prepare a draft of a proposed constitution with alternative provisions and by 3/31/2015 submit to the legislature and governor a plan for the conduct of a constitutional convention to be held on 1/4/2016. It further provides for the election of 105 delegates and the appointment of 18 delegates (inclusive of 13 members from the Evaluation & Drafting Committee) for a total of 123 convention delegates. The legislation requires an election for the 105 delegates on 10/24/2015 and 11/21/2015, and another election for the proposed draft of the constitutional revisions at the Presidential election on 11/8/2016. Both the committee and the constitutional convention may accept grants, donations or gifts of money or services, including the use of facilities and staff from public or private organizations. The committee may create or appoint advisory committees or task forces. Members of the committee and constitutional convention shall be paid the same per diem as **(Cont'd on Page 2)**

EXPENDITURES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	INCREASE	INCREASE	\$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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total				\$0	\$0	\$0

REVENUES	2014-15	2015-16	2016-17	2017-18	2018-19	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	\$0
Annual Total				\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed legislation will result in an indeterminable increase in SGF expenditures. The cost relative to expenses of the Evaluation & Drafting Committee along with the convening of a constitutional convention cannot be accurately estimated due to the number of variables that make up the costs of such an initiative. SGF costs are expected to be significant and are discussed below.

The majority of the costs associated with the proposed legislation would be the per diem paid to the 13 members of the Evaluation & Drafting Committee and the 123 delegates of the constitutional convention. The legislative per diem rate is \$153 and the cost of related benefits (7.65% includes FICA 6.2% and Medicare 1.45%) is approximately \$12 for a daily cost of approximately \$165/day. Based upon these figures, the daily cost for the committee would be \$2,145 and the daily cost of the constitutional convention would be \$20,295. The total cost would depend upon the the number of meeting days held. The legislation allows the committee to create or appoint advisory committees or task forces. Expenditures relative to advisory committees or task forces are indeterminable. There will also be costs for supplies, materials, equipment, printing and reproduction of materials, and all other necessary expenses incurred in connection with the committee and the constitutional convention. It is assumed that any responsibilities (secretarial and research) required by the committee will be assigned to existing legislative staff members whereby costs will be absorbed. The total budget for the 1973-74 constitutional convention was approximately \$2.9 M of which \$1 M was delegate per diem costs and \$850,000 was budgeted for the salary expenses for convention staff.

According to the Secretary of State, there will be no additional election costs (inclusive of ballot printing and publication of proposed constitutional amendment(s) in the 64 parish journals) since the elections will fall on regularly scheduled statewide election dates. Additionally, 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.

Based on information provided by the Legislative Auditor Office, an audit of the financial books and **(Cont'd on Page 2)**

REVENUE EXPLANATION

The proposed legislation grants both the Evaluation & Drafting Committee and the constitutional convention the authority to accept grants, donations or gifts of money and services from public and private sources to defray the expenses of the committee and constitutional convention. The amount that may be received from non-governmental entities, if any, cannot be estimated. Automatic late filing fees are assessed for every day required campaign finance reports **(Cont'd on Page 2)**

Senate	<u>Dual Referral Rules</u>	House	<input checked="" type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	<i>Evan Brasseaux</i> _____ Evan Brasseaux Staff Director
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}		<input type="checkbox"/> 6.8(F)(2) >= \$500,000 State Rev. Reduc. {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}		

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CONTINUED EXPLANATION from page one:

members of the legislature. Per diem and all other expenses incurred by the committee and the constitutional convention may be paid from funds available for such purpose, and for the committee from funds available for legislative expenses if approved by the presiding officers of 2 houses of the legislature. Expenses of the constitutional convention shall be paid from appropriation made by the legislature.

CONTINUED EXPENDITURE EXPLANATION from page one:

records of the Legislature is performed by a CPA firm. Based on current practice, it is anticipated that an additional \$28,500 in audit fees will be incurred to perform an audit of the financial books and records of the constitutional convention.

CONTINUED REVENUE EXPLANATION from page one:

are late. The fees are \$60 per day for district office candidates, and additional civil penalties may be imposed for reports more than 10 days late. The increase in revenue is indeterminable since it will depend on the number of candidates that may fail to file or file late and the number of days reports are filed late. All fees assessed are deposited into the SGF.

Senate

Dual Referral Rules

House

6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}

13.5.1 >= \$100,000 Annual Fiscal Cost {S&H}

6.8(F)(2) >= \$500,000 State Rev. Reduc. {H & S}

13.5.2 >= \$500,000 Annual Tax or Fee Change {S&H}

6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux

Evan Brasseaux
Staff Director