

LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: **HB 149** HLS 23RS 222

Bill Text Version: ENGROSSED

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.: REVISED

Date: May 5, 2023 **Dept./Agy.:** Legislature

Subject: Compensation

Author: MARINO

Addition in the tree

Analyst: Tanesha Morgan

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LEGISLATORS EG +\$1,764,164 GF EX See Note Provides for the compensation of members of the legislature

2:15 PM

<u>Present law</u> provides that in addition to per diem and all other allowances, members of the legislature shall be paid an annual salary of \$16,800. <u>Proposed law</u> increases the annual salary for members of the legislature to 75% of the median household income for Louisiana for the term beginning in 2024.

<u>Proposed law</u> increases the annual salary for the president of the Senate and the speaker of the House of Representatives from \$32,000 to 200% of the annual salary for members for the term beginning in 2024.

<u>Proposed law</u> increases the annual salary for the president pro tempore of the Senate and the speaker pro tempore of the House of Representatives from \$24,500 to 150% of the annual salary for members for the term beginning in 2024.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$1,764,164	\$3,528,328	\$3,528,328	\$3,528,328	\$3,528,328	\$15,877,476
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>	<u>\$0</u>
Annual Total	\$1,764,164	\$3,528,328	\$3,528,328	\$3,528,328	\$3,528,328	\$15,877,476
REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
•	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0	\$0 \$0
Ded./Other Federal Funds Local Funds			•	·		·

EXPENDITURE EXPLANATION

This bill will increase expenditures of the legislature by \$1,764,164 in FY 24 associated with 6 months of salaries and benefits. This cost will be annualized for a total annual cost of \$3,528,328 in future fiscal years. Note: Salary will change every four years based on the median household income for Louisiana. A change would occur in January 2028. The median household income for FY 28 is unknown at this time and therefore reflected as standstill in the table above.

Using the currently available reported median household income in Louisiana by the U.S. Census Bureau, beginning January 2024, the bill would increase the annual salary of members of the legislature from \$16,800 to \$39,065, the annual salary of the president pro tempore and the speaker pro tempore from \$24,500 to \$58,598 and the annual salary of president and speaker from \$32,000 to \$78,131.

The total annual cost of the salary increase for members is \$3,117,135 (\$22,265 increase X 140 members).

The total annual cost of the salary increase for the pro tempores is \$68,196 (\$34,098 increase X 2 members).

The total annual cost of the salary increase for the president and speaker is \$92,261 (\$46,131 increase X 2 members).

The total annual cost of all the salary increases is \$3,277,592 (\$3,117,135 + \$68,196 + \$92,261) The increase associated with related benefits is \$250,736 (7.65% benefits x \$3,277,592 salary).

 Salary
 \$3,277,592

 Benefits
 \$250,736

 Total Annual Cost
 \$3,528,328

Note: Salary estimates are based on the 2021 Census Bureau median household income for Louisiana, which is \$52,087. For illustrative purposes, Moody's Analytics forecasts this value to be \$52,794 by the term beginning in January 2024. The actual value of the median household income will not be certain until established prior to the beginning of the next legislative term

REVENUE EXPLANATION

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

<u>Senate</u>	Dual Referral Rules	<u>House</u>		
x 13.5.1 >=	\$100,000 Annual Fiscal Cost {S & H}	x 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}	Evan	Brasseaux
13.5.2 >=	\$500,000 Annual Tax or Fee	6.8(G) >= \$500,000 Tax or Fee Increase	Evan Brasseau	K
Change {S & H}		or a Net Fee Decrease {S}	Interim Deputy Fiscal Officer	