

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 733** HLS 16RS 590
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 14, 2016 1:35 PM	Author: ABRAMSON
Dept./Agy.: Legislature	Analyst: Willie Marie Scott
Subject: Constitutional Convention	

CONSTITUTION/CONVENTION EG INCREASE GF EX See Note Page 1 of 2
 Provides for calling a limited constitutional convention for fiscal purposes and preparations therefor.

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 6/15/2018 submit to the legislature and governor a plan for the conduct of a constitutional convention to be held on 1/8/2018. 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 11/8/2016 and 12/10/2016, and another election for the proposed draft of the constitutional revisions at the congressional primary election in 2018. It also provides for the election of a chairman, vice chairman, membership of an executive committee, and chief clerical officer. The Executive Committee may create and establish substantive and procedural committees as deemed necessary. No committee of the convention, including the Executive Committee, shall exceed 17 members; and may meet **(Continue on Page 2)**

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	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	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	SEE BELOW	SEE BELOW	SEE BELOW	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	SEE BELOW	SEE BELOW	\$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, 17 members of the Executive Committee and the 123 delegates of the constitutional convention. The legislative per diem rate is \$157 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 \$169/day. Based upon these figures, the daily cost for the Evaluation & Drafting Committee, Executive Committee and the constitutional convention would be \$2,197, \$2,873 and \$20,787 respectively. The total cost would depend upon the the number of meeting days held. The legislation also allows the Evaluation & Drafting Committee to create or appoint advisory committees or task forces; and the Executive Committee to create or establish substantive and procedural committees. Expenditures relative to additional committees or task forces are indeterminable. There will also be costs for the payment of salaries and expenses of necessary employees, supplies, materials, equipment, printing and reproduction of materials, and all other necessary expenses incurred in connection with the convention and its work.

The Department of State budgets for up to 10 constitutional amendments for the fall statewide elections as regular practice and any cost associated with this proposed constitutional amendment will be absorbed with 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.

The LFO and staffs of the House of Representatives and Senate will likely absorb any additional duties with existing staff and resources.

(Continued 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 the required campaign finance **(Continue on Page 2)**

Senate Dual Referral Rules House

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

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

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Staff Director

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CONTINUED EXPLANATION from page one:

either as a full body or in committees until it completes the drafted constitution. The Executive Committee shall employ a director of research, research assistants, secretarial/clerical personnel, and such other professional, research, technical and clerical employees. Compensation of staff personnel shall be established by the Executive Committee; and delegates of the convention shall be paid the same per diem as member of the legislature. In addition to its staff the convention may utilize the personnel and services of the Legislative Auditor (LLA), Legislative Fiscal Office (LFO), and staffs of the House of Representatives and the Senate. Both the Evaluation & Drafting 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 sources to defray the expenses of the convention. Expenses of the constitutional convention shall be paid from an appropriation made by the legislature.

CONTINUED EXPENDITURE EXPLANATION from page one:

The LLA has indicated that if the workload is not of a minimal nature, the cost will be \$10,500 for every 100 hours committee to the Evaluation & Drafting Committee.

Note: 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.

CONTINUED REVENUE EXPLANATION from page one:

reports 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

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