

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **SB 393** SLS 16RS 585
 Bill Text Version: **ORIGINAL**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 19, 2016 6:56 PM	Author: CARTER
Dept./Agy.: Legislature	Analyst: Willie Marie Scott
Subject: Constitutional Convention	

CONSTITUTION CONVENTION OR INCREASE GF EX See Note Page 1 of 2

Provides for the calling of a constitutional convention for the purpose of revising the constitution in order to provide for state revenue and finance and matters relating thereto. (2/3 - CA13s2) (gov sig)

The proposed legislation provides for the calling of a constitutional convention, comprised of the 144 legislators of both houses, to convene on 8/20/2016 for the purpose of revising the constitution in order to provide for the state revenue and finance. Prior to the convening of the convention, the fiscal staffs of the Division of Administration, Senate, House of Representatives, and Legislative Fiscal Office shall meet and publish official data to be used by the delegates in their deliberations. Such data shall include but not limited to revenue and expenditure forecasts, state debt obligations, debt service requirements on those obligations, and cash flow projections for the next 5 years. Upon completion of its work, no later than 9/19/2016, the convention shall submit to the governor the proposed revisions to the constitution and any alternative provisions agreed upon by a favorable vote of at least a majority of the delegates of each house of the convention. The proposed constitutional revisions shall be submitted to the electors at the congressional primary election to be held on 11/8/2016. The convention may employ other professional, research, technical, clerical **(Continue on Page 2)**

EXPENDITURES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	INCREASE	\$0	\$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	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total		\$0	\$0	\$0	\$0	\$0

REVENUES	2016-17	2017-18	2018-19	2019-20	2020-21	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	SEE BELOW	\$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		\$0	\$0	\$0	\$0	\$0

EXPENDITURE EXPLANATION

The proposed legislation will result in an indeterminable increase in SGF expenditures. The cost relative to expenses 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 144 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 constitutional convention would be \$24,336. The total cost for the duration of the convention (8/20 - 9/19/2016) would be \$754,416 for 31 days. 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 Legislative Fiscal Office and staffs of the House of Representatives, Senate and Division of Administration will likely absorb any additional duties with existing staff and resources.

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.

REVENUE EXPLANATION

The proposed legislation grants 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 constitutional convention. The amount that may be received from non-governmental entities, if any, cannot be estimated. It further authorizes the convention to charge existing fees for legislative documents to offset the cost of printing the journals and calendars of the convention, which cannot be estimated due to the volume of sales.

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

Evan Brasseaux
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Staff Director

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CONTINUED EXPLANATION from page one:

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and other employees as necessary. The delegates of the convention shall be paid the same per diem and travel allowances as provided for members of the legislature. 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.

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}

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