

**LEGISLATIVE FISCAL OFFICE**  
**Fiscal Note**



Fiscal Note On: **SB 55** SLS 16RS 271

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> March 24, 2016 9:25 AM	<b>Author:</b> JOHNS
<b>Dept./Agy.:</b> Legislature	<b>Analyst:</b> Willie Marie Scott
<b>Subject:</b> LA Governmental Reorganization Commission	

GOVERNMENT ORGANIZATION OR INCREASE GF EX See Note Page 1 of 2  
Constitutional amendment to create the LA Governmental Reorganization Commission (2/3 - CA13sl(A))

The proposed constitutional amendment creates the LA Government Reorganization Commission, comprised of 9 members, to reorganize state government. It further provides for the appointment of 7 commissioners by the Governor, and the election of one commissioner each from the House of Representatives and the Senate. The commission shall officially begin its term on 1/1/2017 and cease to exist on 1/1/2022; and may terminate itself anytime after 6/30/2018 by vote of 6 or more members. It further provides that the commission may continue once to a termination date of 1/1/2026 by a resolution adopted by the favorable vote of two-thirds of each house. The commission shall review and make recommendations, in the form of legislative proposals, to modify, eliminate, or consolidate the programs, agencies, functions, and services of the Executive Branch of state government to maximize the efficient operation of and provision of necessary services. No proposal shall be made regarding the organizational structure of the Office of the Governor, legislature, or courts of the state or the judges which preside over them; and shall not consider matters of general civil or criminal law, or **(Continued on Page 2)**

<b>EXPENDITURES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>						
<b>REVENUES</b>	<b>2016-17</b>	<b>2017-18</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>5 -YEAR TOTAL</b>
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Ded./Other	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Federal Funds	\$0	\$0	\$0	\$0	\$0	<b>\$0</b>
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<b><u>\$0</u></b>
<b>Annual Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**EXPENDITURE EXPLANATION**

The proposed legislation will result in an indeterminable increase in expenditures. Based on the assumption that the commission will be operational until 1/1/2022, the majority of the costs would be the compensation paid to the 9 members of the LA Government Reorganization Commission. The commissioners shall receive the same compensation as the judges of the Courts of Appeal. The compensation is \$161,762 (\$149,762 base + \$12,000 supplemental) and the cost of related benefits (7.65% includes FICA 6.2% and Medicare 1.45%) is approximately \$12,374 for an annual cost of approximately \$174,136 per commissioner. Based upon these figures, the annual costs for salaries and related benefits would be \$1,567,224 in FY 17 thru FY 21; and \$783,612 in FY 22 for 6 months. There will also be costs for 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 commission.

**Note:** To the extent that the commission exercises its authority to terminate anytime after 6/30/2018, by vote of 6 or more members, there will be no impact on expenditures in subsequent fiscal years beginning in FY 19.

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.

**REVENUE EXPLANATION**

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

Senate Dual Referral Rules House

- |  |  |
|--|--|
| <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} |

*Evan Brasseaux*

**Evan Brasseaux**  
**Staff Director**

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**CONTINUED EXPLANATION from page one:**

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matters related to codes of civil or criminal procedure. Requires every proposal by the commission to be considered by the legislature. Constitutional amendments contained in an approved proposal shall be considered by the voters at the election specified in the proposal or, if no election is specified, at the next occurring statewide election after the approval of the proposal. The Commission may review and conduct investigations of governmental operations in a closed meeting. The commissioners shall receive the same compensation as the judges of the Courts of Appeal, and employ staff as necessary.

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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