

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4269-01
Bill No.: SJR 46
Subject: Constitutional Amendments: General Assembly
Type: Original
Date: February 18, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
General Revenue	(\$92,100)	\$0	\$0
Total Estimated Net Effect on General Revenue Fund	(\$92,100)	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials of the **House of Representatives** estimated savings for members, had the proposal been in effect for the current session, at \$5,332,066 based on:

salaries of \$31,351,
 per diem of \$5,320 (seventy session days @ \$76 per day),
 \$1,770 mileage (\$93 per week), \$25,000 legislative assistant salary, and
 \$9,600 per member account

Total savings would be \$73,042 per member x 73 members = \$5,332,066.

The state would also save on fringe benefits for members and legislative assistants. \$31,351 + \$25,000 = \$56,351 x .414 fringe benefit factor = \$23,329 x 73 = \$1,703,017.

Savings to the state for reduction in House size would have been \$7,035,083 .

Officials noted the possibility of savings for House administrative staff, printing costs, and telecommunications and data processing expenses.

They also noted that there could be costs for capital improvements (e.g. reconfiguring office space in the Capitol).

ASSUMPTION (continued)

Officials of the **Senate** estimated savings for members, had the proposal been in effect for the current session, at \$5,332,066 based on:

salaries of \$31,351,
per diem of \$5,776 (seventy-six session days @ \$76 per day),
\$1,911 mileage (\$91 per week x 21 weeks),
\$80,156 for personal service, and
\$25,100 per member account

Total savings would be \$144,294 per member x 4 members = \$577,176.

The state would also save on fringe benefits for members and staff salaries. $\$31,351 + \$80,156 = \$111,507 \times .414$ fringe benefit factor = $\$46,164 \times 4 = \$184,656$.

Savings to the state for reduction in Senate size would have been \$761,832.

Savings would vary from session to session because some sessions have more meeting days than others.

The **Joint Committee on Public Employee Retirement** (JCPER) has reviewed this proposal and has determined an actuarial study is not needed under the provisions of section 105.660, subdivision (5).

The ninety-seventh general assembly would begin in **January of 2013**; therefore, there would be no costs or savings in the years shown on the normal fiscal note.

Secretary of State officials stated that advertisement costs for the proposal would be \$3,684 per column inch for three printings of the text of the proposal, the introduction, fiscal note summary, and affidavit. The proposal would be on the ballot for the November 2004 general election.

<u>FISCAL IMPACT - State Government</u>	FY 2005	FY 2006	FY 2007
<u>Cost to General Revenue Fund</u>			
<u>Secretary of State</u>			
Newspaper Advertisements	<u>(\$92,100)</u>	<u>\$0</u>	<u>\$0</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2005	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

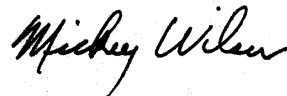
DESCRIPTION

This proposal would, beginning with the ninety-seventh general assembly, reduce the size of the Senate from thirty-four (34) members to thirty (30) members and would reduce the size of the House of Representatives from one-hundred and sixty three (163) members to ninety (90) members.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This proposal would not affect Total State Revenue.

SOURCES OF INFORMATION

House of Representatives
Joint Committee on Public Employee Retirement
Secretary of State
Senate



Mickey Wilson, CPA
Director
February 18, 2004