

June 25, 2009

Hon. Edmund G. Brown Jr.
Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

Attention: Ms. Krystal Paris
Initiative Coordinator

Dear Attorney General Brown:

Pursuant to Elections Code Section 9005, we have reviewed the proposed constitutional initiative related to the California Legislature (A.G. File No. 09-0013).

Background

California Has Had a "Full-Time Legislature" for Four Decades. Prior to passage of Proposition 1A by the voters in 1966, the Legislature met in general session (at which all subjects could be considered) in odd-numbered years and in budget session (at which only state budget matters were considered) in even-numbered years. These general and budget sessions prior to 1966 were limited as to duration, and therefore, California had what is known as a "part-time" Legislature. In 1966, Proposition 1A amended the State Constitution to allow the Legislature to meet in annual general sessions, which were less restricted as to their duration and as to the subjects that could be considered. This created what is known as a "full-time" Legislature.

Currently, Legislature Meets Regularly for Most of the Year. Today, the Legislature can convene its regular sessions throughout the year, with some restrictions on the types of bills it can pass at certain times. In most years, the Legislature meets regularly from January through August or September. The Legislature also may hold hearings when it is out of session.

Legislative Expenses Limited by the Constitution. Currently, overall legislative expenses are restricted by the Constitution and can grow annually by a combination of inflation and population adjustments. Under these existing provisions, the 2009-10 budget that was passed in February 2009 allows the Senate and the Assembly to spend a combined \$269 million of state funds for legislative expenses during the upcoming 2009-10 fiscal year.

Legislative Salaries and Benefits Mainly Set by Independent Commission. Proposition 112—approved by voters in June 1990—amended the Constitution to create the California Citizens Compensation Commission (commission). The commission includes seven members appointed by the Governor, none of whom can be a current or former state officer or employee. The commission has control over legislators' salaries and some benefits received by legislators. (In total, legislators' salaries and benefits equal about 10 percent of the annual budget of the Legislature.) Among the factors the commission must consider when adjusting the salary and certain benefits of legislators is the amount of time that they require to perform official duties, functions, and services.

Proposal

Proposal Would Make the Legislature Part-Time. This measure amends the Constitution to limit when the Legislature could hold sessions. Specifically, the Legislature would be limited each year to holding regular sessions in (1) a 30-day period beginning on the first Monday in January and (2) a 60-day period beginning on the first Monday in May. In addition, the Legislature would be allowed to reconvene for up to five additional days to reconsider bills that were vetoed by the Governor. Accordingly, regular sessions of the Legislature would be limited to no more than 95 days per year.

Special Sessions Could Result in Additional Legislative Work Days. Special sessions of the Legislature are called by the Governor to address specific topics. These would not be limited by the measure.

Measure Would Become Operative in December 2012. The measure would become operative for the regular session of the Legislature beginning with the 2013-14 session.

Fiscal Effect

Potential Decrease in Legislative Costs. The measure may result in decreases in legislative costs depending on future actions of the commission, the Legislature, and the Governor. Proposition 112 requires the commission to consider the amount of time required to perform official duties, functions, and services when adjusting legislators' salaries and benefits. Accordingly, this measure's change of the Legislature to part-time status could result in a decrease in salaries and benefits for Members of the Legislature. By limiting the lengths of legislative sessions, the measure also could result in the Legislature and the Governor acting to change various types of legislative expenses. For example, savings could result from reduced staff and operating expenses due to the limited number of days the Legislature could be in regular session. Potential state savings from all of these changes could total tens of millions of dollars per year.

Net Savings Dependent on Future Actions of Legislature and Governor. Under current provisions of the Constitution, any savings resulting from this measure would be available—if approved by the Legislature and the Governor in the annual budget act—for other legislative expenditures, including costs for legislative staff and constituent

services. Accordingly, the net amount of savings, if any, that would result from this measure is unknown and would depend on future actions of the Legislature and the Governor.

Summary of Fiscal Effect

The measure would have the following fiscal effect:

- Potential annual state savings of tens of millions of dollars. Actual savings would depend on future actions of the California Citizens Compensation Commission, the Legislature, and the Governor.

Sincerely,

Mac Taylor
Legislative Analyst

Michael C. Genest
Director of Finance