

September 21, 2004

Hon. Bill Lockyer
Attorney General
1300 I Street, 17th Floor
Sacramento, California 95814

Attention: Ms. Tricia Knight
Initiative Coordinator

Dear Attorney General Lockyer:

Pursuant to Elections Code Section 9005, we have reviewed the proposed initiative constitutional amendment related to the Legislature (File No. SA2004RF0028).

Background

Length of Session. The Legislature currently 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 is also authorized to hold hearings when it is out of session.

Legislative Expenses. Currently, overall legislative expenses are restricted by the State Constitution and grow annually by a combination of inflation and population adjustments. Under these existing provisions, allowable legislative expenditures can total about \$215 million in 2004-05.

Major Provisions

This measure amends the State Constitution to limit when the Legislature could hold sessions. Specifically, the Legislature would be limited to holding regular sessions between January and June of each year. The Legislature would be prohibited from holding sessions for more than 90 days during each two-year session. These limits would not apply to special sessions, which are called by the Governor. In addition, the Legislature could convene for 15 days following adjournment each year in order to reconsider bills vetoed by the Governor.

The measure would also restrict travel and per diem payments only to those days when the Legislature is in session (with a 15-day limit on special sessions). In addition, legislative hearings could only be held on days the Legislature is in session.

Fiscal Effect

By limiting the times of legislative sessions, the measure could affect legislative expenses. For example, the measure would significantly reduce the number of days that legislators would be eligible to receive per diem payments. The exact savings would depend on how many days the Legislature was in special session or considering vetoes after adjournment, but the total savings for each two-year session could be in the millions of dollars. Likewise, the shortened calendar for legislative sessions would likely reduce the travel expenses of legislators traveling to and from Sacramento. Under existing constitutional provisions, any such savings would be available for other legislative expenditures. For instance, to the extent legislators spent additional time in their districts, district office expenses could increase for additional constituent services.

The net effect of these types of factors is unknown and would depend on the future actions of the Legislature and the Governor. The measure, however, could result in reduced legislative expenses in the millions of dollars for each two-year session.

Summary. This measure would have the following major fiscal impact:

- Unknown impact on legislative expenses, with potential savings of millions of dollars for each two-year session. Actual fiscal impact would depend on future actions of the Legislature and the Governor.

Sincerely,

Elizabeth G. Hill
Legislative Analyst

Donna Arduin
Director of Finance