

April 17, 2007

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

Attention: Ms. Toni Melton
Initiative Secretary

Dear Attorney General Brown:

Pursuant to Elections Code Section 9005, we have reviewed the proposed constitutional measure related to legislative expenses (A.G. File No. 07-0009).

Major Provisions

Legislative Expenses. Under the State Constitution, the Legislature's budget is limited. In 2006-07, the Legislature's total expenses cannot exceed \$241 million. From this total, Members of the Legislature are eligible to receive a per diem payment to cover lodging, meals, and other expenses for each day of attendance at legislative sessions. The current rate is \$162 per day, set by the California Victim Compensation and Government Claims Board. Per diem costs are expected to total about \$4.5 million in 2006-07. Legislative travel expenses are also covered separately.

Elimination of Per Diem. This measure amends the Constitution to eliminate the per diem for legislators. Travel expenses would still be covered.

Fiscal Effect

By eliminating authority for legislators to receive per diem payments, this measure would reduce legislative expenses by about \$4.5 million annually. This amount could be spent on other legislative expenses.

Summary. This measure would have the following fiscal impact:

- Reduced legislative living expenses of about \$4.5 million annually.

Sincerely,

Elizabeth G. Hill
Legislative Analyst

Michael C. Genest
Director of Finance