

LEGISLATIVE FISCAL OFFICE Fiscal Note

Fiscal Note On: HB 586 HLS 25RS 870

Bill Text Version: ORIGINAL

Opp. Chamb. Action:

Proposed Amd.: Sub. Bill For.:

Date: April 21, 2025 1:10 PM Author: MCMAKIN

Dept./Agy.: Legislature

Subject: Constitutional Convention

Analyst: Julie Silva

CONSTITUTION/CONVENTION

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Provides for calling a constitutional convention

Proposed law provides for a constitutional convention to draft a new state constitution. The convention will hold an initial meeting on 12/02/25 to establish rules and membership of 15 committees, one dedicated to each Article of the Constitution of Louisiana of 1974, and one executive committee. Requires the full convention to convene on 9/03/26. Provides for 105 delegates as follows: 78 elected delegates, 10 delegates appointed by various entities, the commissioner of higher education, the superintendent of education, and 15 delegates appointed by the governor. Delegates and staff are subject to ethics laws, public records laws, and the criminal code, with any vacancies filled by appointment. The convention has authority to frame a new constitution, subject to certain limitations. Provides that an executive committee is to handle the convention's organization, staff, budget, and committees, with the legislature providing funding and the convention being subject to review by the legislative auditor. Prohibits a delegate from accepting compensation outside of per diem for work performed as a delegate to the convention. Requires the convention to submit to the governor the proposed constitution by 10/02/26 and for the proposal to be voted on by the electorate at the 2026 congressional general election scheduled for 12/12/26.

OR INCREASE GF EX See Note

| EXPENDITURES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 5 -YEAR TOTAL |
|----------------|-----------|-----------|---------|---------|---------|---------------|
| State Gen. Fd. | INCREASE | INCREASE | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | | | \$0 | \$0 | \$0 | \$0 |
| REVENUES | 2025-26 | 2026-27 | 2027-28 | 2028-29 | 2029-30 | 5 -YEAR TOTAL |
| State Gen. Fd. | SEE BELOW | SEE BELOW | \$0 | \$0 | \$0 | \$0 |
| Agy. Self-Gen. | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Ded./Other | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Federal Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Local Funds | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Annual Total | | | \$0 | \$0 | \$0 | \$0 |

EXPENDITURE EXPLANATION

The proposed legislation will result in an indeterminable increase in SGF expenditures. Per diem costs for 105 delegates are anticipated to total $$18,690 (105 \times $178)$ per day of the convention. Total costs will be dependent on the number of days delegates meet, the number of delegates in attendance on each meeting day, and the actual per diem rates in effect at the time the convention is held. For the purposes of this fiscal note, the current per diem rate of \$178 per day is used, though the rate may lower or increase prior to the start of the convention. Delegates are required to meet at least once per month between December 2025 and September 2026 (a minimum of 10 days). The convention is to be held from September 3, 2026 - October 2, 2026, for a total of 29 days. Assuming a minimum of 39 working days, the per diem cost for delegates is expected to total \$728,910.

In addition to per diem, delegates will be eligible to receive travel allowances, as provided to members of the legislature. Currently, the reimbursement rate for mileage is \$0.70 per mile. Actual expenditures for travel are dependent on the distance delegates travel to Baton Rouge, the number of times they must make the trip, and the actual reimbursement rate for mileage in effect at the time of the convention.

The Legislative Auditor has indicated the cost of providing an audit of the financial books and records of the constitution convention is estimated to be \$20,000 to \$30,000; however, the actual cost depends on the scope of the audit.

The Ethics Administration indicated there could be additional postage costs associated with mailing notice of delinquency letters if delegates fail to file or fail to file timely any disclosure statements required. Any increase in postage costs will likely be absorbed by the agency.

Proposed legislation calls for the election of parish delegates at the October 11, 2025, election. This date is currently scheduled as an open/Orleans municipal parochial primary election. While this legislation does not direct conversion of this election to a statewide ballot to facilitate inclusion of the election of constitutional convention delegates, the Secretary of State (SOS) reports it would require an additional \$3 M SGF in FY 26 to make this transition for all parishes and precincts. SOS budgets for statewide primary elections as regular practice and any costs associated with the December 12, 2026, election will be absorbed within the agency's budget.

REVENUE EXPLANATION

Candidates who qualify for the election as constitutional delegates are subject to the Campaign Finance Disclosure Act and all convention delegates are subject to the Code of Governmental Ethics. As a result, any violations may result in fees or fines collection by the Board of Ethics. These fees and fines, if any are imposed are deposited to the SGF.

| <u>Senate</u> x 13.5.1 >= | <u>Dual Referral Rules</u> \$100,000 Annual Fiscal Cost {S & H} | House $\boxed{\mathbf{x}}$ 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S} | Some Manor |
|-------------------------------------|--|---|--------------------------------------|
| | \$500,000 Annual Tax or Fee Change {S & H} | 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S} | Patrice Thomas Deputy Fiscal Officer |