Department of Legislative Services

Maryland General Assembly 2021 Session

FISCAL AND POLICY NOTE First Reader

House Bill 725 (Delegate Ivey)

Rules and Executive Nominations

Constitutional Amendment - Legislative Sessions

This proposed constitutional amendment, if approved by the voters at the next general election, increases the number of annual legislative sessions of the General Assembly from one to three. In addition to its annual 90-day session beginning in January, the General Assembly must meet on the second Wednesday of June and on the second Wednesday of October each year beginning in 2023. The General Assembly may continue its June and October sessions so long as in its judgement the public interest may require, for a period of up to 30 days each. The 30 days must be consecutive unless otherwise provided by law.

Fiscal Summary

State Effect: If the constitutional amendment is adopted, general fund expenditures for the Legislative Branch increase significantly beginning in FY 2023, as discussed below. Revenues are not affected.

Local Effect: None.

Small Business Effect: None.

Analysis

Current Law: The Maryland Constitution requires the General Assembly to meet on the second Wednesday of January each year, and at no other time unless convened by joint proclamation of the Presiding Officers or by proclamation of the Governor, as specified. The General Assembly may continue its annual session so long as in its judgement the

public interest may require, for a period of up to 90 days. The 90 days must be consecutive unless otherwise provided by law.

The General Assembly may extend its annual session beyond 90 days, for up to an additional 30 days, by resolution passed by a three-fifths vote of the members of each house. However, if the budget is not completed by the eighty-third day of the legislative session, the Governor must issue a proclamation extending the legislative session until the budget is adopted.

Special Sessions

The Governor must issue a proclamation convening a special session of the General Assembly when a majority of the members of each house joins in a petition for a special session. Other provisions of the constitution permit the Governor to call a special session of the legislature or the Senate only. A special session may not continue for more than 30 days.

Chapter 645 of 2020, an amendment to the Maryland Constitution, specifies that, beginning with the budget for fiscal 2024, if the Governor vetoes an item in the budget bill, as authorized under the Act, the General Assembly may convene in special session within 30 days of the veto to consider and vote on whether to override the veto. If the General Assembly wishes to consider whether to override the Governor's veto of an item in the budget bill, the Presiding Officers must jointly issue a proclamation specifying the date on which to convene in special session. The constitutional amendment was approved by the voters at the November 2020 general election.

Legislative Compensation

Article III, Section 15 of the Maryland Constitution provides that legislators receive compensation and expense allowances as established by the General Assembly Compensation Commission (GACC). The commission meets every four years to determine the compensation and expense allowances to be paid to members of the General Assembly during the next following term of office. GACC must submit its recommendations by formal resolution within 15 days after the beginning of the last regular session of a four-year term. The General Assembly may reduce or reject but may not increase any item in the resolution. Unless the General Assembly acts affirmatively to reduce or reject the recommended amounts, the commission's recommendations automatically take effect and have the force of law.

The 2018 GACC resolution froze legislative salaries at their 2018 levels for the 2019-2022 term. The annual salary for the 2019-2022 term is \$65,371 for the Presiding Officers and \$50,330 for all other members of the General Assembly. In addition,

members each receive \$750 annually to be applied to in-district travel and are reimbursed for their lodging and travel expenses related to their service as members of the General Assembly. Compensation does not vary according to years of service.

State Expenditures: If the constitutional amendment is adopted, the bill requires the General Assembly to convene in June and October each year beginning in 2023; the June and October legislative sessions may continue for up to 30 days each. Thus, the General Assembly is in regular session for up to an additional 60 days each year beginning in calendar 2023.

As a result, general fund expenditures for the General Assembly and the Department of Legislative Services increase significantly beginning in fiscal 2023 (reflecting the one additional session in June 2023) due to expense reimbursements for members and staff, overtime expenses for regular staff, payroll expenses for contractual staff, and other operating expenses for postage, supplies, and equipment. General fund expenditures increase further beginning in fiscal 2024, when two additional sessions are held each fiscal year. The amount of the increase cannot be reliably estimated, as it depends on, among other things, the actual number of additional days the General Assembly is in session each year as a result of the bill and the amount of staff overtime required.

For context, the estimated daily cost of the 2006 and 2007 special sessions was \$23,000, primarily for member travel, meal, and lodging reimbursements. However, the average daily cost of supporting a special session likely understates the daily cost of supporting a regular session. For instance, average costs related to expense reimbursements, contractual employee wages, and overtime expenses are likely higher during a regular session than a special session, which typically involves shorter floor sessions and limited committee hearing schedules.

To the extent that GACC adopts higher compensation levels for legislators as a result of the bill's changes to the legislative calendar, general fund expenditures increase further; however, as the constitutional amendment cannot be ratified until after the General Assembly acts on GACC's recommendation for the four-year term beginning January 2023, any such effect likely does not occur until fiscal 2027.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Department of Legislative Services

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Fiscal Note History: First Reader - March 11, 2021

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