



GOVERNOR'S OFFICE OF  
BUDGET AND PROGRAM PLANNING

## Fiscal Note 2025 Biennium

**Bill information:**

SB0485 - Raising hourly rate of legislator compensation (Small, Jason D)

**Status:** As Introduced

- Significant Local Gov Impact     
  Needs to be included in HB 2     
  Technical Concerns  
 Included in the Executive Budget     
  Significant Long-Term Impacts     
  Dedicated Revenue Form Attached

### FISCAL SUMMARY

	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>	<u>FY 2026</u> <u>Difference</u>	<u>FY 2027</u> <u>Difference</u>
<b>Expenditures:</b>				
General Fund	\$0	\$1,176,660	\$362,475	\$1,227,027
<b>Revenue:</b>				
General Fund	\$0	\$0	\$0	\$0
<b>Net Impact-General Fund Balance:</b>	<u>\$0</u>	<u>(\$1,176,660)</u>	<u>(\$362,475)</u>	<u>(\$1,227,027)</u>

**Description of fiscal impact:** SB 485 raises the salary for legislators to \$200 a day. The fiscal impact to the Legislative Branch is \$1,176,660 for FY 2025, \$362,475 for FY 2026, and \$1,227,027 for FY 2027.


### FISCAL ANALYSIS

**Assumptions:****Legislative Branch**

- SB 485 raises the legislator salary to \$200 per day. Because Article V, Part V, Section 5, Montana Constitution, prohibits the legislature from fixing its own compensation, the salary increase will be effective January 6, 2025.
- Section 5-2-301, MCA, requires legislator salary to be adjusted by any statutory pay increases from the prior biennium at the start of the next legislative session. The 68<sup>th</sup> Legislature's HB 13 statutory increase applies to the 69<sup>th</sup> Legislature (\$12/day each year).
- For the purposes of this fiscal note, it is assumed that the 68<sup>th</sup> Legislature's HB 13 will pass, and \$24 per day will be added to the current daily rate of \$104.86. This equals \$128.86 per day. The difference between \$200 per day and \$128.86 per day is \$71.14 per day, which calculates to \$83.95 per day after employer taxes (18%) are included.
- Session costs:
  - Legislature is in session for 90 days in FY 2025 and FY 2027

- b. The Montana Legislature has 150 members:
- c. For the purposes of this fiscal note, the impact for the 2027 Session is calculated using the rate for the 2025 Session.
  - i. The fiscal impact for the 2025 Session is \$1,133,260.
  - ii. The fiscal impact for the 2027 Session is \$1,133,260.
- 5. Interim Costs:
  - a. Based on the 2025 biennium budgeted interim committee meeting days:
    - i. LSD Interim Committees’ budget is calculated using an average of 12 legislators for 34 meeting days in FY 2025, 194 meeting days in FY 2026, and 83 meeting days in FY 2027.
    - ii. LFD Interim Committees’ budget is calculated using an average of eight legislators for seven meeting days in FY 2025, 42 meeting days in FY 2026, and 7 meeting days in FY 2027.
    - iii. LSD Legislator Activities’ budget is calculated using an average of five legislators for 56 meeting days (all in FY 2026).
    - iv. Legislative Fiscal Committee has 17 legislative members and is calculated for one meeting day in FY 2025, six meeting days in FY 2026, and one meeting day in FY 2027.
    - v. Legislative Audit Committee has 12 legislative members and is calculated for three meeting days in FY 2025, six meeting days in FY 2026, and four meeting days in FY 2027.
- 6. The total fiscal impact to the Legislative Branch is:
  - a. FY 2025: \$1,176,660
  - b. FY 2026: \$362,475
  - c. FY 2027: \$1,227,027

	<b>FY 2024 Difference</b>	<b>FY 2025 Difference</b>	<b>FY 2026 Difference</b>	<b>FY 2027 Difference</b>
<b><u>Fiscal Impact:</u></b>				
FTE	0.00	0.00	0.00	0.00
<b><u>Expenditures:</u></b>				
Personal Services	\$0	\$1,176,660	\$362,475	\$1,227,027
Operating Expenses	\$0	\$0	\$0	\$0
Transfers	\$0	\$0	\$0	\$0
<b>TOTAL Expenditures</b>	<b>\$0</b>	<b>\$1,176,660</b>	<b>\$362,475</b>	<b>\$1,227,027</b>
<b><u>Funding of Expenditures:</u></b>				
General Fund (01)	\$0	\$1,176,660	\$362,475	\$1,227,027
<b>TOTAL Funding of Exp.</b>	<b>\$0</b>	<b>\$1,176,660</b>	<b>\$362,475</b>	<b>\$1,227,027</b>
<b><u>Revenues:</u></b>				
General Fund (01)	\$0	\$0	\$0	\$0
<b>TOTAL Revenues</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u></b>				
General Fund (01)	\$0	(\$1,176,660)	(\$362,475)	(\$1,227,027)

NO SPONSOR SIGNATURE 2/28/23  2/28/23

Sponsor's Initials Date Budget Director's Initials Date