



Legislative Fiscal Bureau

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Joint Committee on Finance

Paper #520

Standard Budget Adjustments -- Turnover Reduction (Legislature)

[LFB 2009-11 Budget Summary: Page 437, #1]

CURRENT LAW

Under the Department of Administration's 2009-11 budget instructions to state agencies, standard budget adjustments are defined as "a category of cost changes common across all agencies that are considered 'housekeeping' in nature and are required to continue a base level of services into the next biennium.

GOVERNOR

Adjust the Legislature's base budget for turnover reduction (-\$119,700 GPR annually).

DISCUSSION POINTS

1. Turnover reduction is a budget calculation that reduces agency base permanent salaries in any appropriation with more than 50 full-time equivalent permanent positions assuming that at any point in time during the upcoming biennium a certain percentage of positions will be vacant and that refilled positions will generally be filled at a lower salary level. The 2009-11 budget instructions for state agencies indicate that the turnover reduction rate for all agencies is 3%.

2. Four appropriations in the Legislature have more than 50 full-time equivalent positions: (a) the Assembly, 218 GPR positions (excluding 99 elected members); (b) the Senate, 169 GPR positions (excluding 33 elected members); (c) Reference Bureau, 67 GPR positions; and (d) Audit Bureau, 60 GPR positions.

3. Assembly Bill 75 applies the turnover reduction only to the Audit Bureau's appropriation. Application of the turnover standard budget adjustment to the three remaining

appropriations would result in an additional annual reduction to the Legislature of \$675,300 GPR as follows: (a) Assembly, \$302,200 GPR annually; (b) Senate, \$264,500 GPR annually; and (c) Legislative Reference Bureau, \$108,600 GPR annually.

ALTERNATIVES

1. Approve the Governor's recommendation to reduce the Legislature's budget by \$119,700 GPR annually associated with the standard budget adjustment for turnover.

2. In addition to Alternative #1, reduce the Legislature's budget for turnover by \$675,300 GPR annually as follows: (a) Assembly, \$302,200 GPR annually; (b) Senate, \$264,500 GPR annually; and (c) Legislative Reference Bureau, \$108,600 GPR annually.

ALT 2	Change to Bill
	Funding
GPR	- \$1,350,600

3. Delete provision.

ALT 3	Change to Bill
	Funding
GPR	\$239,400

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