Vol. 18, No. 03 August 2006

Potential Effects of Reducing the Size of the Pennsylvania General Assembly

NATHAN A. BENEFIELD

Executive Summary

One of the most discussed legislative reforms in Harrisburg is a reduction in the size of the General Assembly. One version of this proposal, SB 890, sponsored by Sen. John Pippy (R–Moon Township), would reduce the Pennsylvania General Assembly by 40% from 253 members (203 in the House, 50 in the Senate) to 151 members (121 in the House, 30 in the Senate). The general motivation for reducing the size of the legislature stems from the desire to improve both legislative efficiency and effectiveness.

As a stand alone reform, reducing the size of the legislature would likely have a minimal effect on improving the efficiency and the effectiveness of the General Assembly.

This policy brief considers the potential impact of reducing the size of the Pennsylvania General Assembly in three areas: 1) Cost savings to the taxpayer for the operation of the legislature, 2) Greater accountability in legislative processes, and 3) Different public policy outcomes. The conclusion is that, as a stand alone reform, reducing the size of the legislature would likely have a minimal effect on improving the efficiency and the effectiveness of the General Assembly. Indeed, while it is possible that a smaller legislature could make it easier to adopt and implement more substantive reforms, it could also serve to exacerbate the current lack of openness, transparency, and accountability if other, more substantive reforms are not also implemented.

The most critical reforms of the General Assembly include:

- Lobbyist Disclosure: Pennsylvanians should be able to know who, what, when, where, and how lobbyists are attempting to shape public policy in Harrisburg. Lobbyist disclosure laws crafted by lobbyists should be rejected as unacceptable. There are 49 states that have laws from which we can pick and choose the best practices.
- Over by October: The practice of voting on important legislation during a lame-duck session (*sine die*) should be discontinued. Both houses of the General Assembly should end the legislative session by October, before elections in November, so voters can evaluate lawmakers' full voting records for the legislative session.
- Open Records: The General Assembly and each of its members should be required to fully comply with the Open Records law to the same degree and detail as required of executive agencies.

- **Voting Records**: All votes by individual legislators—including committee votes, procedural votes, and votes on amendments and final passage—should be made available online within 24 hours.
- Level the Playing Field: Redistricting of legislative districts should be placed in the hands of an independent commission to create more competitive elections, rather than gerrymandered boundaries to protect incumbents. Additionally, the legislature must eliminate the use of taxpayer money that only benefits incumbents during election time.
- Limited Terms: Pennsylvania currently limits the number of terms the governor can serve. Similar limits should be placed on the General Assembly. Limiting terms or rotating committee chair positions would be a meaningful first step.
- **Limited Sessions**: Pennsylvania is among only a handful of "full-time" state legislatures with an unlimited number of session days. Limiting the number of session days, coupled with limited terms, will return Pennsylvania to a citizen-led legislature.
- Compensation and Benefits: The ideals of "public service" should be restored through a reassessment of the compensation and benefits provided to public servants through an independent means. At the very least, public servants' remuneration should not exceed the compensation and benefits commonly provided in the private sector.

"public service"
should be restored through a reassessment of the compensation and benefits provided to public servants through an independent means.

The ideals of

Introduction

Pennsylvania taxpayers support one of the largest, most expensive legislatures in the nation. At 253 Members, Pennsylvania has the 2nd largest state legislature, trailing only New Hampshire's 424 members.¹ However, relative to its population, Pennsylvania ranks only 39th in legislators per person (or constituents per legislator).²

Pennsylvania also ranks among the four most highly "professionalized" legislatures in the country, according to the National Conference of State Legislatures. This takes into account legislative pay, number of days in session, and staff per legislator.³ The Commonwealth's state legislators are the fourth highest paid among the 50 states (trailing only California, Michigan, and New York, as of 2005).⁴ The legislative support staff in Pennsylvania is the 2nd largest in the nation (after New York, as of 2003) with over 11.6 staff per legislator—an increase of 106% since 1978.⁵

The combination of all these factors makes Pennsylvania's General Assembly the $2^{\rm nd}$ most expensive legislature to operate, trailing only New York. Lawmakers and Governor Rendell appropriated \$341 million for the operations of the House, Senate, and support services in the 2006-07 General Fund Budget, up from \$88 million in 1984-85—an increase of 101% after adjusting for inflation.

Both the large size and cost to operate the Pennsylvania General Assembly has led to a number of proposals to reduce the size of the General Assembly. The general motivation stems from the desire to improve both efficiency and effectiveness of Pennsylvania's legislature.

One such proposal is SB 890, sponsored by Sen. John Pippy (R–Moon Township), which would reduce the Pennsylvania General Assembly by 40% from 253 members (203 in the House, 50 in the Senate) to 151 members (121 in the House, 30 in the Senate).

This policy brief considers the potential impact of reducing the size of the Pennsylvania General Assembly in three areas:

- 1) Cost savings to the taxpayer for the operation of the legislature,
- 2) Greater accountability in the legislative processes, and
- 3) Different public policy outcomes.

Cost Savings to the Taxpayer

The potential cost savings from reducing the number of members in the Pennsylvania General Assembly will not likely be significant, barring other legislative spending reforms. The cost of the General Assembly operations, though large, represents only a small portion of the cost of state government to taxpayers.

Additionally, reducing the size of the legislature would not automatically result in an equivalent reduction in cost. In fact, according to estimates accompanying SB 890, costs *could* be reduced by 25-30% with a 40% reduction in the number of Gen-

Table 1: State Legislatures by Size and Policy Outcomes Top 10 Legislatures By Size								
State	Number of Legislators*	Constituents Per Legislator*	State and Local Spending Per Capita, 2004 (Rank) [†]	State Tax Burden Rank, 2004 [†]	Economic Freedom Index Rank, 2004 [#]			
New Hampshire	424	3,089	42	49	7			
Pennsylvania	253	49,129	20	24	45			
Georgia	236	38,443	39	25	19			
New York	212	90,824	2	2	50			
Minnesota	201	25,536	9	4	44			
Massachusetts	200	31,994	5	28	41			
Missouri	197	29,443	46	34	10			
Maryland	188	29,789	29	19	27			
Connecticut	187	18,772	11	9	48			
Maine	186	7,105	19	1	30			

Bottom 10 Legislatures By Size						
Utah	104	23,746	31	22	5	
Colorado	100	46,652	22	38	2	
Arizona	90	40,456	45	32	11	
Oregon	90	65,992	13	35	29	
Wyoming	90	5,659	3	33	9	
Hawaii	76	16,779	15	5	35	
Nevada	63	38,330	28	43	12	
Delaware	62	13,605	8	48	8	
Alaska	60	11,061	1	50	33	
Nebraska	49	35,894	12	6	20	

Sources: *National Conference of State Legislatures, †Tax Foundation, *Pacific Research Institute

eral Assembly members. Furthermore, these cost savings may be inflated because the General Assembly's operating budget is determined through the legislature's own budgetary process. Therefore, whether or not the level of spending on legislative operations is reduced depends on whether lawmakers vote to cut this budgetary item.

It is also possible that the larger number of constituents per member will increase their responsibilities and workload, which could lead to higher, not lower, costs to operate the General Assembly.

The cost of staff would only be reduced if the same number of staff per legislator is maintained. However, should the number of staff per lawmaker increase (simply keeping the same overall number of staff) cost savings are nearly nullified. Many staff are assigned to caucuses, committees, or other support areas—and may not be affected by a change in the number of the members.

Even if Senate Bill 890 reduced expenditures of the General Assembly by a full 40%, taxpayers would realize \$136 million in savings—a reduction of only around \$40 per family of four. Even if Senate Bill 890 reduced expenditures of the General Assembly by a full 40%, taxpayers would realize \$136 million in savings—a significant pot of money, but a reduction of only around \$40 per family of four. Far greater savings can be achieved through other, more substantive cost-cutting policy changes and reforms.

While the General Assembly, and all other state departments and agencies, should consider ways to reduce spending, cost savings is the least important impact of legislative reform. The state's 2006-07 operating budget (including federal funds) is \$54.9 billion. The greater issue for taxpayers is how the other \$54.8 billion will be spent rather than the reduction of \$0.1 billion in the General Assembly's budget. While reducing the number of lawmakers may reduce spending, the effects on the processes and the outcomes of public policy could produce more harm than any savings would be worth.

Accountability & Reform in the General Assembly

Reducing the size of the legislature could result in greater accountability and openness, thus improving the legislative process—but only if combined with other reforms. For example, reducing the size of the General Assembly could help in meeting the following goals of legislative reform:⁷

- Reducing the power legislative leaders wield over individual members.
 Fewer members in the General Assembly could lead to greater independence from party leaders and centralized decision-making.
- Creating more competitive legislative elections, by making it more difficult to gerrymander districts to protect incumbents.
- Reducing the power of special interests over legislators by broadening the vote base to which legislators must appeal.

There are potential downsides to reducing the size of the legislature. First, a reduction in the number of elected officials will increase the size of legislative districts both geographically and in the number of constituents represented. This will invariably lead to a reduction in the attention an elected official can pay to individ-

ual constituents. It is also possible that reducing the number of legislators would make it easier for powerful legislative leaders to consolidate control. For these reasons, if reducing the size of the legislature is to lead to increased openness, transparency, and accountability, it *must* be complemented with other critical reforms.

Public Policy Outcomes

It is unclear what, if any, effect that reducing the size of the legislature will have on public policy outcomes. A number of academic studies comparing state legislative size and policy measures often reach different conclusions. Some have found that states with smaller legislatures tend to spend less per-capita, everything else being equal, than states with larger legislature; while other studies conclude that larger constituent sizes result in more spending (thus shrinking the legislature would lead to higher state spending).

There is no clear evidence linking legislative size with other measures of state policy, such as economic freedom and tax burden. Several studies have, however, found that state spending, tax burden, and economic freedom vary much more closely with legislative "professionalization" than size. ¹⁰ The number of staff per lawmaker, the pay of lawmakers, and the time in session has a strong correlation with the level of spending, taxes, and regulations enacted by state government. There are several explanations to this trend, including how longer tenure results in more "logrolling," ¹¹ and how the greater importance of reelection for professional lawmakers leads to seeking more funding for their districts. ¹²

Pennsylvania needs to return to a citizen legislature, where part-time lawmakers run for office purely for the civic virtue of serving the public and not to make a career out of public office. Full-time, "professional" lawmakers can easily become captives of their public office because they too have family responsibilities and bills to pay. It is understandable that full-time lawmakers would desire higher incomes, good retirement benefits, and other job-related perks such as free automobiles and insurance. But this is precisely why Pennsylvania should not permit public servants from becoming dependent on public office for their material well-being.

For these reasons, Pennsylvanians should not have been surprised by the July 2005 pay raise. It was the natural outgrowth of a "professionalized" legislature seeking its own self-interests that—unlike the overwhelming majority of employees in the private sector who are unable to set their own compensation—can determine their own salary and benefit levels.

Many defenders of the recent pay raise argued that many lawmakers could earn more in the private sector as do lawyers, doctors, and business executives. However, the likelihood of a pay raise scandal similar to that of July 2005 is seriously reduced with a part-time legislature because those lawmakers would in fact be doctors, lawyers, and business executives who come to Harrisburg for a few weeks each year to make laws, and then go home to live and work under the laws they created like their neighbors.

Pennsylvania needs to return to a citizen legislature, where parttime lawmakers run for office purely for the civic virtue of serving the public and not to make a career out of public office. The relevance of a professionalized legislature and the size and scope of government is a which-came-first dilemma, the chicken or the egg. Do states have full-time, higher-paid legislators because they spend more and regulate more? Or do they become high spending, highly regulated states because they have a full-time, higher-paid legislature? Conversely, will moving toward a part-time, citizen legislature in Pennsylvania lead to lower taxes and less burdensome regulation? Or must spending and the regulatory burden be reduced before moving away from a professional legislature? The short answer is, Yes! Pennsylvania must do both: Restore the spirit and intent of public service while also reducing the spending and regulatory burden of state government on the people of the Commonwealth.

Table 2: State Legislatures by Profesionalization and Policy Outcomes Most Professional Legislatures							
State	Professionali- zation Index*	Number of Legislators*	State and Local Spending Per Capita, 2004 (Rank) [†]	State Tax Burden Rank, 2004 [†]	Economic Freedom Index Rank, 2004		
California	Very High	120	4	15	49		
Michigan	Very High	148	18	16	34		
New York	Very High	212	2	2	50		
Pennsylvania	Very High	253	20	24	45		
Alaska	High	60	1	50	33		
Florida	High	160	37	39	22		
Illinois	High	177	21	14	46		
Massachusetts	High	200	5	28	41		
New Jersey	High	120	7	17	42		
Ohio	High	132	14	3	43		
Wisconsin	High	132	17	7	38		
Georgia	Low	236	39	25	19		
			ast Professional Legislatures	25	40		
Idaho	Low	105	47	31	4		
Indiana	Low	150	44	12	14		
Kansas	Low	165	34	18	1		
Maine	Low	186	19	1	30		
Mississippi	Low	174	35	29	28		
Nevada	Low	63	28	43	12		
New Mexico	Low	112	23	36	37		
Rhode Island	Low	113	10	8	47		
Vermont	Low	180	16	10	36		
West Virginia	Low	134	33	21	32		
Montana	Very Low	150	36	42	21		
New Hampshire	Very Low	424	42	49	7		
North Dakota	Very Low	141	26	37	18		
South Dakota	Very Low	105	48	45	15		
Utah	Very Low	104	31	22	5		
Wyoming	Very Low	90	3	33	9		

Sources: *National Conference of State Legislatures, †Tax Foundation, *Pacific Research Institute

It is unrealistic to expect that Pennsylvania can transform itself into the New Hampshire model of a part-time, citizen legislature, with little pay and few staff—at least not in the near future. However, a number of more substantive reforms than reducing the size of the legislature will begin to restore spirit and intent of public service in Pennsylvania, including:

- Lobbyist Disclosure: Pennsylvanians should be able to know who, what, when, where and how lobbyists are attempting to shape public policy in Harrisburg. Lobbyist disclosure laws crafted by lobbyists should be rejected as unacceptable. There are 49 states that have laws from which we can pick and choose the best practices.
- Over by October: The practice of voting on important legislation during a lame-duck session (sine die) should be discontinued. Both houses of the General Assembly should end the legislative session by October, before the November elections so voters can evaluate lawmakers' full voting records for the legislative session.
- Open Records: The General Assembly and each of its members should be required to fully comply with the Open Records law to the same degree and detail as required of executive agencies.
- Voting Records: All votes by individual legislators—including committee votes, procedural votes, and votes on amendment and final passage—should be made available online within 24 hours
- Level the Playing Field: Redistricting of legislative districts should be placed in the hands of an independent commission to create more competitive elections. Additionally, the legislature must eliminate the use of taxpayer money that only benefits incumbents during election time.
- **Limited Terms**: Pennsylvania currently limits the number of terms the governor can serve. Similar limits should be placed on the General Assembly. Limiting or rotating committee chair positions would be a meaningful first step.
- **Limited Sessions**: Pennsylvania is among only a handful of "full-time" state legislatures with an unlimited number of session days. Limiting the number of session days, coupled with limited terms, will return Pennsylvania to a citizen-led legislature.
- Compensation and Benefits: The ideals of "public service" should be restored through a reassessment of the compensation and benefits provided to public servants through an independent means. At the very least, public servants' remuneration should not exceed the compensation and benefits commonly provided in the private sector.

Conclusion

Although reducing the size of the Pennsylvania General Assembly could possibly improve the openness, transparency and accountability of the legislative process, it cannot serve as a substitute for other reforms. On its own, reducing the size of the legislature would have a minimal effect and could even exacerbate the current problems in Harrisburg. However, if reduction is complemented with other critical reforms—including those outlined above—a smaller General Assembly may prove beneficial to the people of Pennsylvania.



ENDNOTES:

- 1 National Conference of State Legislatures (NCSL), "About State Legislatures: Legislator Data and Services," www.ncsl.org.
- 2 Ibid.
- 3 Ibid.
- 4 Ibid.
- 5 NCSL, "About State Legislatures: Legislative Staff Data and Services," www.ncsl.org.
- 6 Pennsylvania House Appropriations Committee, "2006-2007 General Fund Budget Spreadsheet," http://appropriations.pahousegop.com; Kennedy, John J, *The Contemporary Pennsylvania Legislature*, Lanham: University Press of America, 1999.
- 7 A review of studies linking number of members and legislative rules and norms can be found in Hedlund, Ronald D, "Organizational Attributes of Legislatures: Structure, Rules, Norms, Resources," *Leadership Studies Quarterly*, 9 (Feb. 1984).
- 8 See Gilligan, Thomas W and John G Matsusaka, "Fiscal Policy, Legislature Size, and Political Parties: Evidence from State and Local Governments in the First Half of the 20th Century," *National Tax Journal*, 54, 1 (March 2001).
- 9 See Thornton, Mark and Marc Ulrich, "Constituency Size and Government Spending," *Public Finance Review*, 27, 6 (November 1999).
- 10 See Owings, Stephanie and Rainald Borck, "Legislative Professionalism and Government Spending: Do Citizen Legislators Really Spend Less?" *Public Finance Review*, 28, 3 (2000).
- 11 Reed, Robert W and D Eric Shansberg, "Impact of Congressional Tenure Restriction on Spending," in *Legislative Term Limits: Public Choice Perspectives*, Bernard Grofman, ed, Kluwer Publishers (Boston), 1996.
- 12 Fiorina, Morris P, "Divided Government in the American States: A Byproduct of Legislative Professionalism?" *American Political Science Review*, 88, 2 (June 1994).

About the Commonwealth Foundation

The Commonwealth Foundation is an independent, non-profit research and educational institute that develops and advances public policies based on the nation's founding principles of limited constitutional government, economic freedom, and personal responsibility for one's actions.