

PAY PROBLEM

Most legislative salaries lag behind the private sector, but raising them can cause a political firestorm.

BY MORGAN CULLEN

Legislators are leaving their homes and families this month and returning to statehouses to face the fallout of a still-sluggish economy, the phase out of federal stimulus money and more cuts to vital state services.

Although most lawmakers would agree the gratification that comes with public service far outweighs the personal sacrifices involved, the job has become tougher. Economic hard times demand lawmakers work longer hours, spend more time away from home and postpone some career goals.

Like many of their constituents, their salaries have not kept pace with their workload. Most legislators have forgone salary increases in recent years, and five states even reduced compensation last year. In 2009, California—the country's highest paid legislature—lowered salaries by 18 percent from \$116,208 to \$95,291.

Like many tough decisions facing states, reducing legislative salaries has consequences, especially in states where salaries are already low. Maintaining adequate legislative compensation promotes diversity among elected officials so the entire population is adequately represented. If pay is a significant barrier to public service, many potential candidates will not be able to serve in the legislature.

"Salary is an especially important component that can alter the recruitment landscape for any legislature" says Gary Moncrief of Boise State University.

He notes that, in 1998, then Colorado Senator Norma Anderson told him there were a lot more people running for the legislature than in previous years, perhaps because there was a

substantial increase in salary—from \$17,500 to \$30,000—beginning with the 1999 legislative session.

In most legislatures, it's up to lawmakers to decide if they should raise their own salaries, making it almost impossible to do so. The issue is often too politically charged to touch. Fourteen states have not raised legislative salaries in at least 10 years, and others have seen only a modest increase. Many legislators agree the political fallout of raising their salaries isn't worth the trouble.

30 YEARS AND COUNTING

Louisiana is a case study in the politics of pay. Two years ago, lawmakers decided it was time to raise their salaries. Legislators hadn't received a salary increase since 1980. In those 30 years, the compensation of Louisiana legislators declined by 15 percent in real terms—taking inflation into account—without even considering the increase in workload. In the last 40 years, the time demands of legislative work in Louisiana have gone from about a one-third time job to one that legislators estimate to be about three-quarters of a full-time job.

Lawmakers argued an increase was necessary to ensure all Louisianans could effectively serve in the Legislature regardless of age or wealth. Representative Joe Harrison, who supported the bill, believes increasing legislative salaries is fundamental to democracy.

"In my district, I have experienced four

hurricanes and an oil spill since I took office. That keeps me working 60 hours a week year-round," he says. "I have colleagues in the Legislature who are leaving simply because they can no longer afford to serve. Eventually our Legislature will consist of only the very wealthy or retired people. We will have eliminated the citizen Legislature as we know it."

The bill that ultimately passed the House and Senate and arrived on the governor's desk increased Louisiana legislators' pay from \$16,800 to \$37,500.

Throughout the process, lawmakers supporting the bill were the target of intense criticism in newspapers across the state. Angry constituents sent thousands of letters and e-mails demanding they kill the bill. The New Orleans Times-Picayune called the increases "greedy and shameless." Opponents believed that a 123 percent increase in pay was excessive given the economic challenges facing the state. They also argued any salary increase should not apply to sitting members of the Legislature.

Governor Bobby Jindal indicated that while he did not agree with the proposed salary increase he would let the bill become law without his signature. Overnight the reformist image of the governor came under attack and the story received national media attention. Jindal ended up vetoing the bill to the dismay of many legislators who expended a good deal of political capital in the process.

"For all its bad press, it was the right thing to do," House Speaker Jim Tucker, who man-



REPRESENTATIVE
JOE HARRISON
LOUISIANA



SPEAKER
JIM TUCKER
LOUISIANA

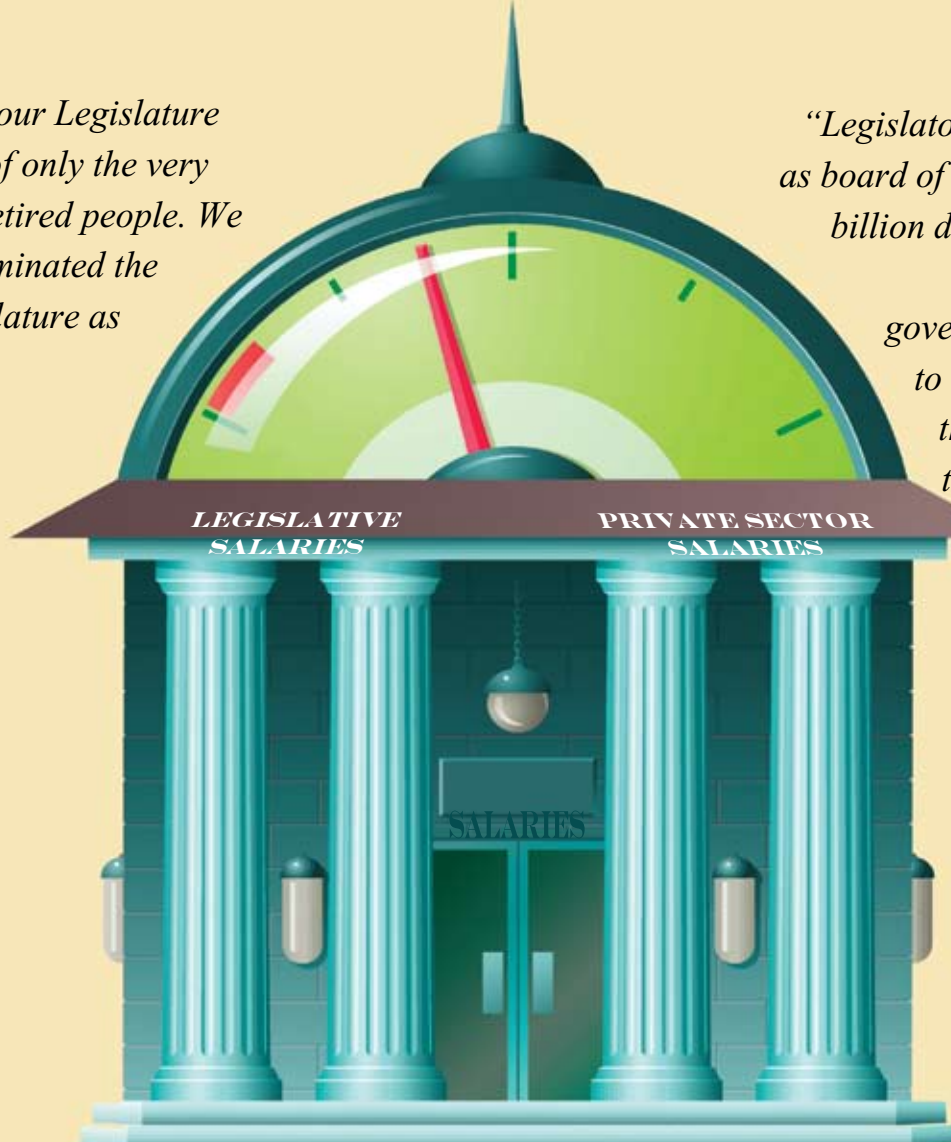
Morgan Cullen tracks legislator compensation for NCSL.

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RUTGERS UNIVERSITY



aged the bill in his chamber, told the Times-Picayune. “We need everybody in this state to be able to serve in the Legislature.”

THE RIGHT BALANCE

One of the great challenges to setting legislator salaries is that there is no precise way of determining fair market value. In the private sector, employers can establish an adequate pay scale by comparing the salaries of similar positions. The way legislatures operate can differ greatly among states, each requiring varying degrees of experience, time commitment and professional expertise. This can make the process of setting reasonable legislative salaries extremely difficult.

Senators serving in the Texas Legislature represent districts larger and more diverse than their congressional counterparts in Washington, D.C., yet they earn only \$7,200 a year. Members of Congress earn \$174,000 a year. Legislative salaries in New Hampshire—a small state with a 400-member House—are embedded into the state constitution; mem-

bers have been paid only \$200 per term since 1889. Lawmakers in Arizona are paid \$24,000 a year and haven’t received a raise since 1999. That was also the last time legislators in Colorado, Minnesota, New York and South Dakota saw a salary increase. In New Mexico, legislators receive no salary but are eligible for per diem expenses.

Salaries should be enough to attract highly qualified candidates with a variety of diverse backgrounds and experiences, while also ensuring that everyone—rich or poor—can afford to serve. Consideration also should be given to the amount of time spent on the job.

“Legislators essentially serve as board of directors for multi-billion dollar organizations that are our state governments,” says Alan Rosenthal of the Eagleton Institute of Politics at Rutgers. “We owe it to ourselves to ensure they have the means to make responsible decisions with our money.”

As policy issues have become more complex, interim responsibilities also have increased. Legislators are spending more time

on the job than ever, according to Rosenthal.

“Take Vermont, which is considered a part-time legislature. Legislators there make \$636 a week for four months when they are in session, but they also work an average of 16 hours a week during the interim,” he says. “It is hard to hold a full-time job when you are putting in those kinds of hours.”

Some states—California, Michigan, New York and Pennsylvania, for example—pay their legislators a wage comparable to professional salaries found in the private sector.

“It’s clear that with higher salaries you get a broader range of people serving in the legislature that more accurately reflects the population as a whole,” says Peverill Squire of the University of Missouri, who has researched the demographic makeup of the nations’ legislatures. “Both Democrats and Republicans understand that, for people to run and be elected, they need to be fairly compensated. Salary increases also encourage people with higher educational attainment and professional expertise.”

(L) LEGISLATIVE DAY (C) CALENDAR DAY (V) VOUCHERED (U) UNVOUCHERED

STATE	BASE SALARY (ANNUAL OR DAILY RATE)	SESSION PER DIEM RATE
Alabama	\$10/day (C)	\$3,958/month plus \$50/day for three days during each week that the Legislature actually meets during any session (U).
Alaska	\$50,400/year	\$189 or \$234 /day (depending on the time of year) tied to federal rate. Legislators who reside in the Capitol area receive 75 percent of the federal rate.
Arizona	\$24,000/year	\$35/day for the first 120 days of regular session and for special session and \$10/day thereafter. Members residing outside Maricopa County receive an additional \$25/day for the first 120 days of regular session and for special session and an additional \$10/day thereafter (V). Set by statute.
Arkansas	\$15,362/year	\$136/day (V) plus mileage tied to federal rate.
California	\$95,291/year	\$173/day for each day in session.
Colorado	\$30,000/year	\$45/day for members living in the Denver metro area. \$99/day for members living outside Denver (V). Set by the legislature.
Connecticut	\$28,000/year	No per diem is paid.
Delaware	\$41,680/year	\$7,334 expense allowance annually.
Florida	\$29,697/year	\$133/day for House and \$133 for Senate (V) tied to federal rate. Earned based on the number of days in session. Travel vouchers are filed to substantiate.
Georgia	\$17,342/year	\$173/day (U) set by the Legislative Services Committee.
Hawaii	\$48,708/year	\$150/day for members living outside Oahu during session; \$120/day for members living outside Oahu during interim while conducting legislative business; \$10/day for members living on Oahu during the interim while conducting official legislative business.
Idaho	\$16,116/year	\$122/day for members establishing second residence in Boise; \$49/day if no second residence is established and up to \$25/day travel (V) set by Compensation Commission.
Illinois	\$67,836/year	\$139/day
Indiana	\$22,616.46/year	\$138/day (U) tied to federal rate.
Iowa	\$25,000/year	\$137/day (U). \$102.75/day for Polk County legislators (U) set by the legislature to coincide with federal rate. State mileage rates apply.
Kansas	\$88.66/day (C)	\$116/day (U) tied to federal rate.
Kentucky	\$186.73/day (C)	\$119.90/day (U) tied to federal rate.
Louisiana	\$16,800/year + additional \$6,000/yr (U) expense allowance.	\$159/day (U) tied to federal rate.
Maine	\$13,526/year for first regular session; \$9,661/year for second regular session	\$38/day housing, or mileage and tolls in lieu of housing (at rate of \$0.44/mile up to \$38/day) plus \$32/day for meals. Per diem limits set by statute.
Maryland	\$43,500/year	Lodging \$96/day; meals \$32/day (V) tied to federal rate and compensation commission. \$225/day for out-of-state travel. Includes meals and lodging.
Massachusetts	\$58,237.15 /year	From \$10/day-\$100/day, depending on distance from State House (V) set by the legislature.
Michigan	\$79,650/year	\$12,000 yearly expense allowance for session and interim (V) set by compensation commission.
Minnesota	\$31,140.90/year	Senators receive \$96/day and Representatives receive \$77/legislative day (U) set by the Legislature. \$116/day (U) tied to federal rate.
Mississippi	\$10,000/year	\$103.20/day (U) tied to federal rate. Verification of per diem is by roll call.
Missouri	\$35,915/year	\$103.69/day (U).
Montana	\$82.64/day (L)	\$109/day outside 50-mile radius from Capitol; \$39/day if member resides within 50 miles of Capitol (V)
Nebraska	\$12,000/year	tied to federal rate.
Nevada	\$146.90/day; maximum of 60 days of session for holdover Senators, \$146.29/day for all other legislators	Federal rate for Capitol area (U). Legislators who live more than 50 miles from the Capitol and require lodging will be paid single-room rate for Carson City area for each month of session.
New Hampshire	\$200/two-year term	No per diem is paid.
New Jersey	\$49,000/year	No per diem is paid.
New Mexico	None	\$159/day (V) tied to federal rate & the constitution.
New York	\$79,500/year	Varies (V) tied to federal rate.
North Carolina	\$13,951/year	\$104/day (U) set by statute. \$559/month expense allowance.
North Dakota	\$141/day (\$148/day effective 7/1/10) during legislative sessions (C)	Lodging reimbursement up to \$1,040/month (V).
Ohio	\$60,584/year	No per diem is paid.
Oklahoma	\$38,400/year	\$150/day (U) tied to federal rate.
Oregon	\$21,612/year	\$116/day (U) tied to federal rate.
Pennsylvania	\$78,314.66/year	\$154 GSA method; \$163 IRS high/low method
Rhode Island	\$13,089.44/year	No per diem is paid.
South Carolina	\$10,400/year	\$131/day for meals and housing for each statewide session day and committee meeting, tied to federal rate.
South Dakota	\$12,000/two-year term	
Tennessee	\$19,009	\$110/legislative day (U) set by the Legislature.
Texas	\$7,200/year	\$185/legislative day (U) tied to federal rate.
Utah	\$117/day (C)	\$168/day (U) set by Ethics Commission.
Vermont	\$636.62/week during session \$118/day for special sessions or interim committee meetings	\$106/day (U) lodging allotment for each calendar day, tied to federal rate, \$61/day meals (U). Federal per diem rate for Montpelier is \$101/day for lodging and \$61/day for meals for non-commuters; commuters receive \$61/day for meals plus mileage.
Virginia	\$18,000/year Senate; \$17,640/year House	
Washington	\$42,106/year	House - \$135/day (U) tied to federal rate. Senate \$169 (U) tied to federal rate.
West Virginia	\$20,000/year	\$90/day
Wisconsin	\$49,943/year	\$131/day during session (U) set by compensation commission. \$88/day maximum (U) set by compensation commission (90% of federal rate). Joint Committee on Employment Relations establishes maximum amount according to the recommendations of the director of the Office of State Employment Relations. Leadership of each house determines, within maximum, amount to authorize for the session.
Wyoming	\$150/day (L)	\$109/day (V) set by the Legislature; includes travel days for those outside Cheyenne.

DIFFERENT APPROACHES

To help take politics out of the issue, 19 states have created compensation commissions to provide independent and impartial recommendations.

Most commissions convene every couple of years, review comparable salaries and benefits, provide an opportunity for public comment and issue formal recommendations. The governor and legislative leaders usually nominate committee members. Many states require that members come from different backgrounds and political parties to ensure diversity.

Commissions' levels of influence varies. Some serve only an advisory role and make proposals the legislature can modify. In other states, commission recommendations are binding unless lawmakers vote to reject them or the governor turns them down. In Arizona and Nebraska, commission recommendations

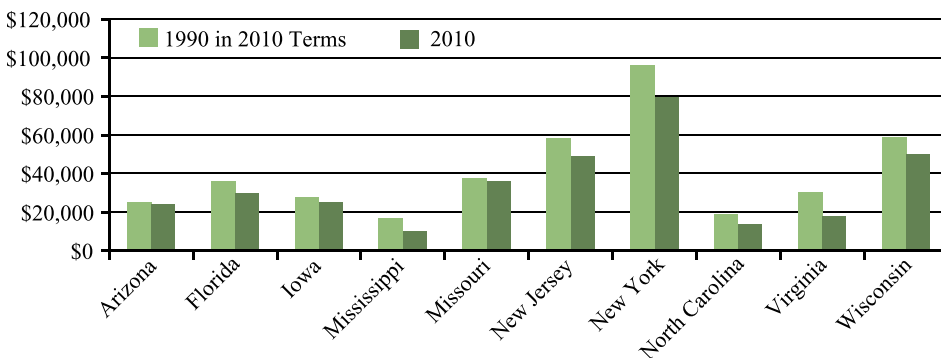
must be approved by voters before going into effect. In California and Washington, commissions have carte blanche to raise or lower salaries.

The effect of commissions on salaries has varied. California's Citizens Compensation Commission reduced the salary of its legislators by almost \$21,000 in 2009.

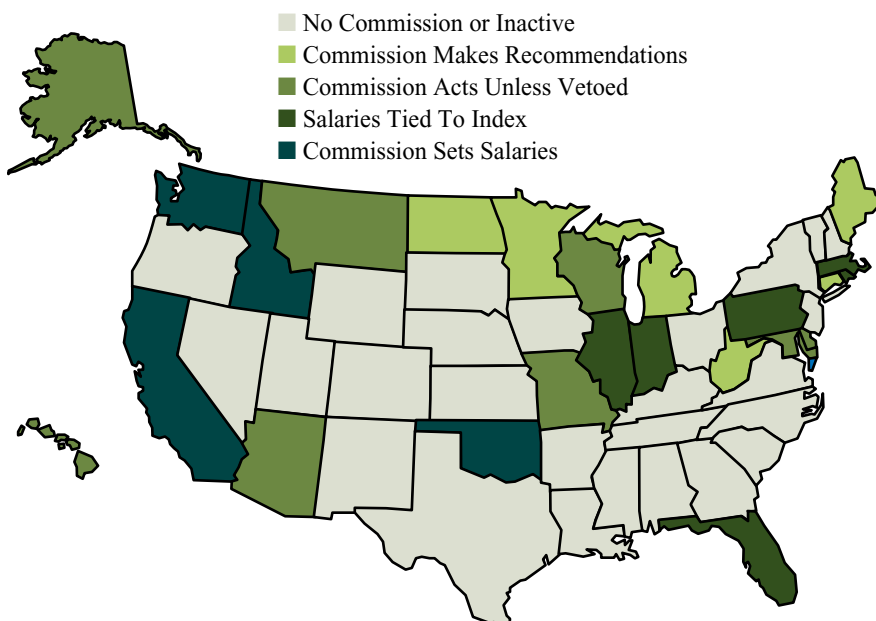
"California legislators were reducing staff salaries and issuing mandatory furloughs in an effort to reduce costs," says Charles Murray, chairman of the commission. "They didn't have the authority to lower salaries on their own but we realized it needed to be done."

Alaska's Officers Compensation Commission recommended a \$26,000 increase for 2009, which was adopted and raised the salaries of Alaskan lawmakers for the first time in more than 15 years.

INFLATION ADJUSTED CHANGE IN STATE LEGISLATORS' SALARIES



COMPENSATION METHODS





REPRESENTATIVE

MIKE DOOGAN

ALASKA

“We understood the obvious problems with legislators establishing a compensation system that includes their own pay and benefits,” says Representative Mike Doogan, who sponsored the 2008 legislation to create the commission. “The legislation was not an attempt to increase or reduce salaries but rather to create a commission that could provide an equitable solution.”

Many legislators from states with commissions agree they provide a way to address the issue fairly.

Other states have tied legislative compensation to other state employee salaries or to changes in the cost of living. In these cases, increases in legislative salaries are automatic. Florida legislators receive the same annual percentage increase as state employees. In Massachusetts, legislative salaries are tied to an index that provides an automatic increase or decrease, according to the median household income for the state.

No matter how salaries are determined, it’s still difficult to have an open discussion about them, given the public’s hostility toward the issue. Legislators are all too aware of the potential political consequences of supporting an increase, even if they believe it’s the right thing to do.

One has only to look at Pennsylvania to understand the implications involved. In 2006, primary voters there ousted 17 incumbents for increasing their salaries by 16 percent the previous year. To avoid voter scrutiny, many other lawmakers decided not to seek reelection. The increase was ultimately repealed four months later because of the political firestorm that had erupted.

Rosenthal thinks there needs to be a transparent process that addresses the issue fairly.

“Too much bad press and misinformation often cloud the issue. Ultimately, voters don’t receive a balanced view of what is really happening,” he says. “I don’t think legislators should make as much as they would in the private sector because they are serving the public, but they do deserve a salary that is fair.”

