

## LEGISLATIVE COMPENSATION INCREASES COMPARED TO INFLATION AND STATE EMPLOYEE SALARY INCREASES - 1981 THROUGH 2014

This memorandum compares actual legislative compensation rates and legislative compensation rates adjusted for inflation and state employee salary increases for the period 1981 through 2014.

### LEGISLATIVE COMPENSATION RATES

North Dakota Century Code Section 54-03-20 provides that each member of the Legislative Assembly is entitled to receive compensation per calendar day during each regular, special, or organizational session. In addition, each legislator is entitled to receive monthly compensation during each legislator's term of office. The following is a schedule of daily legislative session compensation and monthly compensation rates:

	Rate Effective July 1, 2013	Rate Effective July 1, 2014
Daily legislative session compensation	\$162	\$167
Monthly compensation	\$453	\$467

Section 54-35-10 provides that legislators are also entitled to receive compensation for attending interim meetings of the Legislative Management and its committees. The following is a schedule of interim meeting daily compensation rates:

	Rate Effective July 1, 2013	Rate Effective July 1, 2014
Interim meeting daily compensation	\$162	\$167

### CHANGES IN LEGISLATIVE COMPENSATION SINCE 1981

Year of Change	Compensation for Each Calendar Day During Session	Expense Reimbursement During Session		Expense Reimbursement or Compensation for Each Month During Term of Office	Compensation for Each Day Attending Interim Meetings
		For Each Day During Session	For Each Month During Session		
1981	\$5 <sup>1</sup>	\$85 <sup>1</sup>		\$180	\$62.50
1983	\$40 <sup>2</sup>	\$50 <sup>2</sup>		\$180	\$62.50
1985	\$90 <sup>3</sup>		\$600 <sup>3</sup>	\$180 <sup>3</sup>	\$62.50
1997	\$111		\$650	\$250 <sup>4</sup>	\$62.50
1999	\$111		\$650	\$250	\$75.00
2001	\$125		\$650	\$250	\$100.00
2005	\$125		\$900 <sup>5</sup>	\$350 <sup>5</sup>	\$100.00
2007	\$130 <sup>6</sup>		\$900	\$364 <sup>6</sup>	\$104.00 <sup>6</sup>
2008	\$135 <sup>6</sup>		\$900	\$378 <sup>6</sup>	\$108.00 <sup>6</sup>
2009	\$141 <sup>7</sup>		\$1,040 <sup>8</sup>	\$396	\$141.00 <sup>6,7</sup>
2010	\$148 <sup>7</sup>		\$1,040 <sup>8</sup>	\$415	\$148.00 <sup>7</sup>
2011	\$152 <sup>9</sup>		\$1,351 <sup>10</sup>	\$427	\$152.00 <sup>9</sup>
2012	\$157 <sup>9</sup>		\$1,351 <sup>10</sup>	\$440	\$157.00 <sup>9</sup>
2013	\$162 <sup>11</sup>		\$1,455 <sup>12</sup>	\$453	\$162.00 <sup>11</sup>
2014	\$167 <sup>11</sup>		\$1,569 <sup>12</sup>	\$467	\$167.00 <sup>11</sup>

<sup>1</sup>Legislative session compensation was constitutionally limited to \$5 per calendar day, and the level of expense reimbursement during legislative sessions was set by statute at \$85 per calendar day for a total of \$90 per day.

<sup>2</sup>The constitutional provision limiting legislative compensation was repealed on June 8, 1982, by voter approval of Measure No. 4, which created Article XI, Section 26, of the Constitution of North Dakota, and provides that:

The legislative, executive, and judicial branches are coequal branches of government. Elected members and officials of each branch shall receive as compensation for their services only such amounts as may be specifically set by law. Payment for necessary expenses shall not exceed those allowed for other state employees.

After the adoption of the 1982 constitutional amendment, the subsequent Legislative Assembly (1983) amended Section 54-03-20 to set the levels of legislative session compensation and expense reimbursement at \$40 per day and \$50 per day, respectively. As an exception to the compensation and expense reimbursement rates provided to other legislators, legislators from Bismarck received \$90 per day as compensation and no expense reimbursement. Consequently, the total of legislative session expense reimbursement and compensation for all legislators remained unchanged at \$90 per day.

<sup>3</sup>The 1995 Legislative Assembly amended Section 54-03-20 to provide that legislators receive compensation of \$90 per calendar day during the legislative session plus reimbursement for lodging up to \$600 per month. Section 54-03-20 was also amended to provide that the \$180 per month payment to legislators during their terms of office was compensation rather than reimbursement for expenses.

<sup>4</sup>The 1997 Legislative Assembly amended Section 54-03-20 to provide that compensation may be paid monthly, rather than every six months, at the option of each legislator.

<sup>5</sup>The 2005 Legislative Assembly increased legislators' monthly compensation from \$250 to \$350 per month effective July 1, 2005, and increased the maximum lodging expense reimbursement allowed during legislative sessions from \$650 to \$900 per month effective January 1, 2005.

<sup>6</sup>The 2007 Legislative Assembly increased legislators' daily pay during legislative sessions, monthly compensation, and interim meeting compensation by 4 percent for the first year of the 2007-09 biennium and by 3.85 percent for the second year of the biennium. In addition, Section 11 of 2007 House Bill No. 1001 increased legislators' interim meeting pay to \$135 per day beginning July 1, 2009.

	Rate Effective August 1, 2007	Rate Effective July 1, 2008	Rate Effective July 1, 2009
Daily legislative session compensation	\$130	\$135	
Monthly compensation	\$364	\$378	
Interim meeting daily compensation	\$104	\$108	\$135

<sup>7</sup>The 2009 Legislative Assembly increased legislators' daily pay during legislative sessions, monthly compensation, and interim meeting compensation by 5 percent for each year of the 2009-11 biennium.

	Rate Effective Prior to August 1, 2009	Rate Effective August 1, 2009	Rate Effective July 1, 2010
Daily legislative session compensation	\$135	\$141	\$148
Monthly compensation	\$378	\$396	\$415
Interim meeting daily compensation	\$135	\$141	\$148

<sup>8</sup>The 2009 Legislative Assembly increased the maximum monthly lodging expenses reimbursement allowed during legislative sessions from \$900 per month to 30 times 55 percent of the state daily lodging expense reimbursement rate. This increase was effective August 1, 2009. Based on the state daily lodging reimbursement rate of \$63 per night, the maximum monthly lodging expense reimbursement was \$1,040 per month for the 2011 legislative session.

<sup>9</sup>The 2011 Legislative Assembly increased legislators' daily pay during legislative sessions, monthly compensation, and interim meeting compensation by 3 percent for each year of the 2011-13 biennium.

	Rate Effective Prior to July 1, 2011	Rate Effective July 1, 2011	Rate Effective July 1, 2012
Daily legislative session compensation	\$148	\$152	\$157
Monthly compensation	\$415	\$427	\$440
Interim meeting daily compensation	\$148	\$152	\$157

<sup>10</sup>The Legislative Assembly in 2011 Senate Bill No. 2015 increased the maximum lodging expenses reimbursement allowed during legislative sessions from 30 times 55 percent of the state daily lodging reimbursement rate to 30 times 65 percent of the state daily lodging expense reimbursement rate. This increase was effective August 1, 2011. Based on state daily lodging reimbursement rate of \$69.30 per night, the maximum monthly lodging expense reimbursement was \$1,351 per month for the 2013 legislative session.

<sup>11</sup>The 2013 Legislative Assembly increased legislators' daily pay during legislative sessions, monthly compensation, and interim meeting compensation by 3 percent for each year of the 2013-15 biennium.

	Rate Effective Prior to July 1, 2013	Rate Effective July 1, 2013	Rate Effective July 1, 2014
Daily legislative session compensation	\$157	\$162	\$167
Monthly compensation	\$440	\$453	\$467
Interim meeting daily compensation	\$157	\$162	\$167

<sup>12</sup>The Legislative Assembly in 2013 Senate Bill No. 2001 increased the maximum lodging expenses reimbursement allowed during legislative sessions from 30 times 65 percent of the state daily lodging expense reimbursement rate to 30 times 70 percent of the state daily lodging expense reimbursement rate. This increase was effective July 1, 2013. The North Dakota lodging rates are as follows:

	Rate Effective January 1, 2013	Rate Effective October 1, 2013 (2015 Session Rate)
In-state lodging rate	\$69.30	\$74.70
Lodging expense reimbursement estimate	\$1,455.00	\$1,569.00

The schedule attached as an [appendix](#) provides a comparison of actual legislative compensation rates and legislative compensation rates adjusted for inflation and state employee salary increases for the period 1981 through 2014.

ATTACH:1

**ACTUAL LEGISLATIVE COMPENSATION RATES AND LEGISLATIVE COMPENSATION RATES ADJUSTED FOR INFLATION  
AND STATE EMPLOYEE SALARY INCREASES - 1981 THROUGH 2014**

	ACTUAL COMPENSATION RATES			COMPENSATION RATES ADJUSTED FOR INFLATION			COMPENSATION RATES ADJUSTED FOR SALARY INCREASES PROVIDED TO STATE EMPLOYEES				
	Interim Daily Compensation	Session Daily Compensation and Expense Reimbursement <sup>1</sup>	Monthly Compensation During Term of Office	Inflation <sup>2</sup>	Interim Daily Compensation	Session Daily Compensation	Monthly Compensation During Term of Office	Salary Increases Provided to State Employees	Interim Daily Compensation	Session Daily Compensation	Monthly Compensation During Term of Office
1981	\$62.50	\$90.00	\$180.00		\$62.50	\$90.00	\$180.00			\$90.00	\$180.00
1982	\$62.50	\$90.00	\$180.00	6.2%	\$66.38	\$95.58	\$191.16	8.0% <sup>3</sup>	\$67.50	\$97.20	\$194.40
1983	\$62.50	\$90.00	\$180.00	3.2%	\$68.50	\$98.64	\$197.28	2.0% <sup>4</sup>	\$68.85	\$99.14	\$198.29
1984	\$62.50	\$90.00	\$180.00	4.3%	\$71.45	\$102.88	\$205.76	2.0% <sup>4</sup>	\$70.23	\$101.12	\$202.26
1985	\$62.50	\$90.00	\$180.00	3.5%	\$73.95	\$106.48	\$212.96	5.5% <sup>5</sup>	\$74.09	\$106.68	\$213.38
1986	\$62.50	\$90.00	\$180.00	1.9%	\$75.36	\$108.50	\$217.01	4.0% <sup>6</sup>	\$77.05	\$110.95	\$221.92
1987	\$62.50	\$90.00	\$180.00	3.7%	\$78.15	\$112.51	\$225.04	0.0%	\$77.05	\$110.95	\$221.92
1988	\$62.50	\$90.00	\$180.00	4.1%	\$81.35	\$117.12	\$234.27	0.0%	\$77.05	\$110.95	\$221.92
1989	\$62.50	\$90.00	\$180.00	4.8%	\$85.25	\$122.74	\$245.51	7.1% <sup>7</sup>	\$82.52	\$118.83	\$237.68
1990	\$62.50	\$90.00	\$180.00	5.4%	\$89.85	\$129.37	\$258.77	0.0% <sup>8</sup>	\$82.52	\$118.83	\$237.68
1991	\$62.50	\$90.00	\$180.00	4.2%	\$93.62	\$134.80	\$269.64	4.0% <sup>9</sup>	\$85.82	\$123.58	\$247.19
1992	\$62.50	\$90.00	\$180.00	3.0%	\$96.43	\$138.84	\$277.73	\$40 per month <sup>10</sup>	\$87.54	\$126.05	\$252.13
1993	\$62.50	\$90.00	\$180.00	3.0%	\$99.32	\$143.01	\$286.06	\$60 per month <sup>11</sup>	\$90.17	\$129.83	\$259.69
1994	\$62.50	\$90.00	\$180.00	2.6%	\$101.90	\$146.73	\$293.50	3.0% <sup>12</sup>	\$92.88	\$133.72	\$267.48
1995	\$62.50	\$90.00	\$180.00	2.8%	\$104.75	\$150.84	\$301.72	2.0%	\$94.74	\$136.39	\$272.83
1996	\$62.50	\$90.00	\$180.00	2.9%	\$107.79	\$155.21	\$310.47	3.0% <sup>13</sup>	\$97.58	\$140.48	\$281.01
1997	\$62.50	\$111.00	\$250.00	2.3%	\$110.27	\$158.78	\$317.61	3.0% <sup>15</sup>	\$100.51	\$144.69	\$289.44
1998	\$62.50	\$111.00	\$250.00	1.5%	\$111.92	\$161.16	\$322.37	3.0% <sup>15</sup>	\$103.53	\$149.03	\$298.12
1999	\$75.00	\$111.00	\$250.00	2.2%	\$114.38	\$164.71	\$329.46	2.0% <sup>16</sup>	\$105.60	\$152.01	\$304.08
2000	\$75.00	\$111.00	\$250.00	3.4%	\$118.27	\$170.31	\$340.66	3.0% <sup>16</sup>	\$108.77	\$156.57	\$313.20
2001	\$100.00	\$125.00	\$250.00	2.8%	\$121.58	\$175.08	\$350.20	3.0% <sup>17</sup>	\$112.03	\$161.27	\$322.60
2002	\$100.00	\$125.00	\$250.00	1.6%	\$123.53	\$177.88	\$355.80	2.0% <sup>17</sup>	\$114.27	\$164.50	\$329.05
2003	\$100.00	\$125.00	\$250.00	2.3%	\$126.37	\$181.97	\$363.98	0.0% <sup>18</sup>	\$114.27	\$164.50	\$329.05
2004	\$100.00	\$125.00	\$250.00	2.7%	\$129.78	\$186.88	\$373.81	0.0% <sup>18</sup>	\$114.27	\$164.50	\$329.05
2005	\$100.00	\$125.00	\$350.00	3.4%	\$134.19	\$193.23	\$386.52	4.0%	\$118.84	\$171.08	\$342.21
2006	\$100.00	\$125.00	\$350.00	3.2%	\$138.48	\$199.41	\$398.89	4.0%	\$123.59	\$177.92	\$355.90
2007	\$104.00 <sup>19</sup>	\$130.00 <sup>19</sup>	\$364.00 <sup>19</sup>	2.9%	\$142.50	\$205.19	\$410.46	4.0%	\$128.53	\$185.04	\$370.14
2008	\$108.00 <sup>19</sup>	\$135.00 <sup>19</sup>	\$378.00 <sup>19</sup>	3.8%	\$147.92	\$212.99	\$426.06	4.0%	\$133.67	\$192.44	\$384.95
2009	\$141.00 <sup>20</sup>	\$141.00 <sup>21</sup>	\$396.00 <sup>21</sup>	-0.3%	\$147.48	\$212.35	\$424.78	5.0%	\$140.35	\$202.06	\$404.20
2010	\$148.00 <sup>20</sup>	\$148.00 <sup>21</sup>	\$415.00 <sup>21</sup>	1.1% <sup>14</sup>	\$149.10	\$214.69	\$429.45	5.0%	\$147.37	\$212.16	\$424.41
2011	\$152.00 <sup>22</sup>	\$152.00 <sup>22</sup>	\$427.00 <sup>22</sup>	3.6% <sup>14</sup>	\$154.47	\$222.42	\$444.91	3.0%	\$151.79	\$218.52	\$437.14
2012	\$157.00 <sup>22</sup>	\$157.00 <sup>22</sup>	\$440.00 <sup>22</sup>	1.7% <sup>14</sup>	\$157.10	\$226.20	\$452.47	3.0%	\$156.34	\$225.08	\$450.25
2013	\$162.00 <sup>23</sup>	\$162.00 <sup>23</sup>	\$453.00 <sup>23</sup>	1.8% <sup>14</sup>	\$159.93	\$230.27	\$460.61	4.0% <sup>24</sup>	\$162.59	\$234.08	\$468.26
2014	\$167.00 <sup>23</sup>	\$167.00 <sup>23</sup>	\$467.00 <sup>23</sup>	2.1% <sup>14</sup>	\$163.29	\$235.11	\$470.28	3.0% <sup>24</sup>	\$167.47	\$241.10	\$482.31

<sup>1</sup> Until 1985 the \$90 per calendar day amount included compensation and expense reimbursement. Beginning in 1985, the \$90 per day amount includes only compensation.

<sup>2</sup> The inflation rate is the annual percentage change in the consumer price index.

<sup>3</sup> The actual salary increase was reduced by a budget allotment directed by the Governor.

<sup>4</sup> The percentage shown is a 2 percent additional state-paid contribution to retirement in lieu of a salary increase.

<sup>5</sup> Salary increases of 9.5 percent were provided to higher education faculty and senior administrative staff and 5.5 percent for all other state employees.

<sup>6</sup> The Governor deferred this salary increase for executive branch agencies until January 1, 1987, with a minimum of \$50 per month. For the purposes of this analysis, a 4 percent increase was applied to legislative compensation.

<sup>7</sup> Salary increases of 11.4 percent were provided for higher education faculty at the University of North Dakota (UND) and North Dakota State University; 9.5 percent for higher education faculty at other four-year universities; 7.3 percent for higher education faculty at two-year colleges; 9.1 percent for faculty at the UND School of Medicine and Health Sciences; 8.7 percent to 9.7 percent for administrative, professional, and classified employees at the institutions of higher education; and 7.1 percent for all other state employees.

- <sup>8</sup> Salary increases of 7 percent were provided for higher education faculty at four-year universities, 5 percent for higher education faculty at two-year colleges, and 0 percent for all other state employees.
- <sup>9</sup> A salary increase of 4 percent, with a minimum of \$50 per month, was provided for state employees. For the purposes of this analysis, only the 4 percent increase was applied to legislative compensation.
- <sup>10</sup> The \$40 per month increase averaged approximately 2 percent for classified state employees. For the purposes of this analysis, a 2 percent increase was applied to legislative compensation.
- <sup>11</sup> The \$60 per month increase averaged approximately 3 percent for classified state employees. For the purposes of this analysis, a 3 percent increase was applied to legislative compensation.
- <sup>12</sup> A salary increase of up to 3 percent was provided to the extent available from agency savings.
- <sup>13</sup> The salary increase of 3 percent includes 1 percent provided for salary equity adjustments and merit increases.
- <sup>14</sup> Annual percentage increase in the consumer price index, as provided by the Bureau of Labor Statistics
- <sup>15</sup> Salary increases were a minimum of \$30 per month with any additional increases up to an average of 3 percent distributed on the basis of merit and equity. For the purposes of this analysis, only the 3 percent increase was applied to legislative compensation.
- <sup>16</sup> Salary increases were a minimum of \$35 per month with any additional increases up to 2 percent the first year and 3 percent the second year distributed on the basis of merit and equity. For the purposes of this analysis, the percentage increases were applied to legislative compensation.
- <sup>17</sup> Salary increases were a minimum of \$35 per month with any additional increases distributed on the basis of merit and equity. For the purposes of this analysis, the percentage increases were applied to legislative compensation.
- <sup>18</sup> Salary increases up to 1 percent effective on January 1, 2004, and 2 percent effective on January 1, 2005, for the executive and judicial branches to the extent the increases could be provided from pooled savings realized from eliminated full-time equivalent (FTE) positions and from accumulated savings from other vacant FTE positions. At least 70 percent of the funding for the increases provided must be from pooled savings of the eliminated FTE positions. No specific funding was provided to higher education institutions for salary increases with the intent that any salary increases provided be from existing appropriation authority. The Office of Management and Budget reported that the pooled savings for the executive branch do not include sufficient savings from eliminated or vacant positions for state employee salary increases; therefore, for the purposes of this analysis, no increase was applied to legislative compensation.
- <sup>19</sup> The Legislative Assembly in 2007 increased legislators' daily pay during legislative sessions, monthly compensation, and interim meeting compensation by 4 percent for the first year of the 2007-09 biennium and by 3.85 percent for the second year of the biennium.
- <sup>20</sup> Section 11 of 2007 House Bill No. 1001 increased legislators' interim meeting pay to \$135 per day, beginning July 1, 2009. Senate Bill No. 2064 (2009) increased the interim compensation rate by 5 percent per year from \$135 to \$141 per day, effective August 1, 2009, and to \$148 per day, effective July 1, 2010.
- <sup>21</sup> The Legislative Assembly in 2009 increased legislators' daily pay during legislative sessions and monthly compensation by 5 percent for each year of the 2009-11 biennium.
- <sup>22</sup> The Legislative Assembly in 2011 increased legislators' daily pay during legislative sessions, monthly compensation, and interim meeting compensation by 3 percent for each year of the 2011-13 biennium.
- <sup>23</sup> The Legislative Assembly in 2013 increased legislators' daily pay during legislative sessions, monthly compensation, and interim meeting compensation by 3 percent for each year of the 2013-15 biennium.
- <sup>24</sup> The Legislative Assembly in 2013 approved state employee compensation increase to a range of 3 to 5 percent for fiscal year 2013 and 2 to 4 percent for fiscal year 2014.