

1999 SENATE GOVERNMENT AND VETERANS AFFAIRS

SB 2055

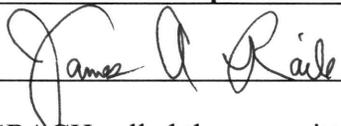
1999 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. SB 2055

Senate Government and Veterans Affairs Committee

Conference Committee

Hearing Date January 14, 1999

Tape Number	Side A	Side B	Meter #
2	X		428-1273
Committee Clerk Signature 			

Minutes: CHAIRMAN KREBSBACH called the committee to order and opened the hearing on SB 2055 which relates to compensation paid to members of the legislative assembly for attending sessions of the legislative council and its committees. JOE MORRISSETTE with the legislative council appeared before the committee in neutral position to present/introduce the bill to the committee. He presented testimony based on the Interim Committees Report of the Legislative Compensation Commission submitted to the North Dakota Legislative Assembly. A copy of this report is attached. SENATOR STENEHJEM-Joe, could you compute a fiscal note for us on what the affect would be if we were to amend the \$75.00 to \$91.00 so that that \$91.00 when coupled with the \$20.00 for meals would equal \$111.00, which is what we are paid during the session. MR. MORRISSETTE indicated that he can do that. I should have thought ahead and done that. I'll do that and get that number down to you. SENATOR KILZER-I'm kind of a novice but I live here in Bismarck and I don't get anything for meals. Why is that? I'm

wondering about meals? MR. MORRISSETTE indicated he guessed the rationale would be that you would only be compensated if you were away from your hometown for the course of the day. The way the reimbursement works is I think you're allowed \$4.00 for breakfast if you're gone during that time and \$6.00 for lunch and \$10.00 for the evening meal. You actually have to be away from your hometown for a period of a day as it says in statute. SENATOR

STENEHJEM indicated that there are some internal revenue service problems with that and that is the reason for the disparity. Maybe this could be checked out to see what the reason is.

SENATOR DEMERS-We're only talking about not during the session only during the interim because none of us get meal stuff during the session. I know the same is true at UND. When we have people come in from Fargo they get compensated for meals and those of us who are there don't. Even though we're all eating in the same restaurant. I think it is some IRS thing. There were no further questions from the committee. No one else appeared in support of SB 2055. No one appeared to testify against SB 2055. At this time CHAIRMAN KREBSBACH closed the hearing on SB 2055.

COMMITTEE WORK-February 4, 1999-Tape 2, Side A, Meter #'s 4843-End and Tape 2, Side

B, Meter #'s 0-60 Committee discussion ensued. It was indicated by SENATOR

KREBSBACH that this bill needed committee action as it needed to be re-referred to the appropriations committee. It deals with the interim pay which Senators and Representatives are to receive. Currently they receive \$62.50 per day. The bill comes in at \$75.00 however, Senator Stenehjem was proposing to go to \$91.00. SENATOR THANE noted that in some cases the senators and representatives work harder because our travel time which we have to travel great distances such as when we went to Mohall. Williston is another long trip for some of us and

even though we don't spend more than 8 hours in committee we certainly put in a lot of time doing it. So I think I agree, I think it's worth just as much as during the regular session.

SENATOR DEMERS indicated she didn't have much of a chance to discuss this bill with her colleagues with the exception of Senator Mutzenberger but she didn't think there would be any problem with it that she could see. SENATOR MUTZENBERGER indicated that the people he had spoken with about this seemed rather supportive of it. CHAIRMAN KREBSBACH indicated her feelings were that if the committee decided to go up to the \$91.00 we are actually then at the rate we were at for regular session four years ago. To put us in line with that is not out of order. Senator Wardner moved the amendment which states Page 1, line 9, replace

"seventy-five with "ninety-one". Motion seconded by Senator Thane. SENATOR

THANE: Among other things that we have mentioned, it might encourage better participation in interim committees, because the way it is right now, under the existing \$62.00 by the time the taxes are taken out you end up with forty some dollars. It's pretty hard to justify going away from what you are doing, whether you are doing it for wages or you are self-employed or whatever. Unless you get something more than that. SENATOR

KILZER: What is the effective date of this? **CHAIRMAN KREBSBACH:** It would be there is no emergency so it would be effective August 1 of 1999 in the next biennium.

SENATOR DEMERS: I just wanted to note for the record that the interim pay has been at \$62.50 since at least 1981. That's as far back as the chart goes. I guess I feel an increase to \$91.00 is justified. There were no further comments. Roll Call Vote indicated 6 YEAS, 0

NAYS, and 1 ABSENT OR NOT VOTING. A motion for DO PASS AS AMENDED AND

RE-REFER to APPROPRIATIONS was made by SENATOR WARDNER, seconded by

Page 4

Senate Government and Veterans Affairs Committee

Bill/Resolution Number SB 2055

Hearing Date January 14, 1999

SENATOR THANE. ROLL CALL VOTE indicated 6 YEAS, 0 NAYS, and 1 ABSENT

OR NOT VOTING. SENATOR W. STENEHJEM will be the carrier of the bill.

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____ Amendment to: Eng. SB 2055

Requested by Legislative Council Date of Request: 3-18-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts. Please provide breakdowns, if appropriate, showing salaries and wages, operating expenses, equipment, or other details to assist in the budget process. In a word processing format, add lines or space as needed or attach a supplemental sheet to adequately address the fiscal impact of the measure.

Narrative:

This bill, as amended, increases the per diem rate for legislators attending Legislative Council-related meetings by \$12.50 per day, from \$62.50 to \$75 per day.

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$61,848		\$61,848	

3. What, if any, is the effect of this measure on the budget for your agency or department:

- a. For rest of 1997-99 biennium:
- b. For the 1999-2001 biennium: \$61,848 - This amount is included in Engrossed House Bill No. 1001
- c. For the 2001-03 biennium: \$61,848 will continue

4. **County, city, and school district** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

Signed: *Chester E. Nelson, Jr.*
 Typed Name: Chester E. Nelson, Jr.
 Department: Legislative Council
 Phone Number: 328-2916
 Date Prepared: 3-19-99

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: _____ Amendment to: SB 2055

Requested by Legislative Council Date of Request: 2-9-99

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts.

Narrative:

This bill, as amended, increases the per diem rate for legislators attending Legislative Council-related meetings by \$28.50 per day, from \$62.50 to \$91 per day.

2. **State** fiscal effect in dollar amounts:

1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
General Fund	Special Funds	General Fund	Special Funds	General Fund	Special Funds

Revenues:

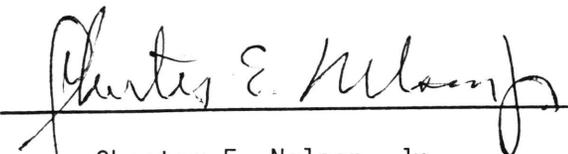
Expenditures: \$141,013 \$141,013

3. What, if any, is the effect of this measure on the appropriation for your agency or department:
 - a. For rest of 1997-99 biennium: _____ recommendation.
 - b. For the 1999-2001 biennium: Of this amount, \$61,848 is included in the executive / \$141,013 - The bill, as amended, will require an estimated
 - c. For the 2001-03 biennium: \$141,013 will continue. \$79,165 of expenditures in excess of the funds included in the executive budget.

4. **County, City, and School District** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

If additional space is needed, attach a supplemental sheet.

Signed 
 Typed Name Chester E. Nelson, Jr.

Date Prepared: 2-10-99

Department Legislative Council
 Phone Number 328-2916

FISCAL NOTE

(Return original and 10 copies)

Bill/Resolution No.: SB 2055 Amendment to: _____

Requested by Legislative Council Date of Request: December 23, 1998

1. Please estimate the fiscal impact (in dollar amounts) of the above measure for state general or special funds, counties, cities, and school districts. Please provide breakdowns, if appropriate, showing salaries and wages, operating expenses, equipment, or other details to assist in the budget process. In a word processing format, add lines or space as needed or attach a supplemental sheet to adequately address the fiscal impact of the measure.

Narrative:

This bill increases the per diem rate for legislators attending Legislative Council-related meetings by \$12.50 per day, from \$62.50 to \$75 per day.

2. **State** fiscal effect in dollar amounts:

	1997-99 Biennium		1999-2001 Biennium		2001-03 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues						
Expenditures			\$61,848		\$61,848	

3. What, if any, is the effect of this measure on the budget for your agency or department:

- a. For rest of 1997-99 biennium:

Indicate the portion of this amount included in the 1999-2001 executive budget:

- b. For the 1999-2001 biennium:

\$61,848 - This amount is included in the executive recommendation
Indicate the portion of this amount included in the 1999-2001 executive budget:

- c. For the 2001-03 biennium:

\$61,848 will continue

4. **County, city, and school district** fiscal effect in dollar amounts:

1997-99 Biennium			1999-2001 Biennium			2001-03 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts

Signed: _____
 Typed Name: Chester E. Nelson, Jr.
 Department: Legislative Council
 Phone Number: 328-2916
 Date Prepared: 12-28-98

Date: 2/04/99
Roll Call Vote #: 1

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2055

Senate GOVERNMENT AND VETERAN'S AFFAIRS Committee

- Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Motion to Amend

Motion Made By Sen. Wardner Seconded By Sen. Thane

Senators	Yes	No	Senators	Yes	No
SENATOR KREBSBACH	✓				
SENATOR WARDNER	✓				
SENATOR KILZER	✓				
SENATOR STENEHJEM					
SENATOR THANE	✓				
SENATOR DEMERS	✓				
SENATOR MUTZENBERGER	✓				

Total (Yes) 6 No 0

Absent 1

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2/04/99
Roll Call Vote #: 2

1999 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2055

Senate GOVERNMENT AND VETERAN'S AFFAIRS Committee

- Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken Do Pass as Amended - Refer to Appra

Motion Made By Sen. Wardner Seconded By Sen. Thane

Senators	Yes	No	Senators	Yes	No
SENATOR KREBSBACH	✓				
SENATOR WARDNER	✓				
SENATOR KILZER	✓				
SENATOR STENEHJEM					
SENATOR THANE	✓				
SENATOR DEMERS	✓				
SENATOR MUTZENBERGER	✓				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Sen. Stenehjem

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
February 8, 1999 3:26 p.m.

Module No: SR-25-2221
Carrier: W. Stenehjem
Insert LC: 90151.0101 Title: .0200

REPORT OF STANDING COMMITTEE

SB 2055: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS,
0 NAYS, 1 ABSENT AND NOT VOTING). SB 2055 was placed on the Sixth order on
the calendar.

Page 1, line 9, replace "seventy-five" with "ninety-one"

Renumber accordingly

1999 HOUSE APPROPRIATIONS

SB 2055

1999 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. 2055

House Appropriations Committee

Conference Committee

Hearing Date March 5, 1999

Tape Number	Side A	Side B	Meter #
1		x	18.0-27.2
Committee Clerk Signature <i>Roxanne Hone</i>			

Minutes:

A Bill for an Act to amend and reenact subsection 1 of section 54-35-10 of the North Dakota Century Code, relating to compensation paid to members of the legislative assembly for attending sessions of the legislative council.

1B: 18.0 Joe Morrissette, Legislative Council gave a brief explanation of the bill. The bill would only affect legislative compensation.

1B: 23.0 Rep. Carlisle commented that the \$141,000 could be better used some place else and recommended a DO NOT PASS.

1B: 23.4 Rep. Carlson disagreed. Feels the compensation is not good enough to have an incentive to come out to Bismarck. Can't afford to come out. Feels that legislators are worth the same amount of money when not in session.

1B: 24.2 Rep. Poolman recommended a DO PASS. Rep. Byerly 2nd the motion.

On a Roll Call Vote the motion carried.

10 voting Yes

7 voting No

3 voting Absent

Rep. Carlson will carry the bill to the floor.

General Discussion

- Committee on Committees
- Rules Committee
- Confirmation Hearings
- Delayed Bills Committee
- House Appropriations
- Senate Appropriations
- Other

Date March 16, 1999			
Tape Number	Side A	B Side	Meter #
1	x		31.4-37.1
Committee Clerk Signature <i>Roxanne Kone</i>			

Minutes:

Chairman Dalrymple opened the discussion on Senate Bill 2055.

1A: 32.0 Rep. Carlisle moved to amend Senate Bill 2055: \$91.00 to \$75.00. Rep. Wentz 2nd the motion.

1A: 33.3 Rep. Huether asked if the amendment would bring it back to it's original form. Replied yes. Further commented he would support the amendment.

On a voice call vote the motion carried.

Rep. Carlisle moved for a DO PASS AS AMENDED. Rep. Huether 2nd the motion.

10 voting Yes

8 voting No

2 voting Absent

Rep. Carlisle: Carrier.

Date: 3-5-99
 Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2055

House _____ Committee _____

Subcommittee on _____
 or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS

Motion Made By POOLMAN Seconded By BYERLY

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple		✓	Nichols		✓
Vice-Chairman Byerly	✓		Poolman	✓	
Aarsvold		✓	Svedjan	✓	
Bernstein			Timm	✓	
Boehm	✓		Tollefson		
Carlson	✓		Wentz		✓
Carlisle		✓			
Delzer	✓				
Gulleson					
Hoffner		✓			
Huether	✓				
Kerzman		✓			
Lloyd	✓				
Monson	✓				

Total (Yes) 10 No 7

Absent 3

Floor Assignment Rep. Carlson

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
March 5, 1999 10:57 a.m.

Module No: HR-40-4110
Carrier: Carlson
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

SB 2055: Appropriations Committee (Rep. Dalrymple, Chairman) recommends DO PASS
(10 YEAS, 7 NAYS, 3 ABSENT AND NOT VOTING). SB 2055 was placed on the
Fourteenth order on the calendar.

Date: 3/16/99

Roll Call Vote #: 1

1999 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 2055

House Appropriations Committee

Subcommittee on _____
or
 Conference Committee

Legislative Council Amendment Number _____

Action Taken DO PASS AS AMENDED

Motion Made By DA Carlisle Seconded By Huether

Representatives	Yes	No	Representatives	Yes	No
Chairman Dalrymple	✓		Nichols		✓
Vice-Chairman Byerly	✓		Poolman	✓	
Aarsvold			Svedjan	✓	
Bernstein			Timm		✓
Boehm		✓	Tollefson	✓	
Carlson	✓	✓	Wentz		✓
Carlisle	✓				
Delzer		✓			
Gulleson	✓				
Hoffner		✓			
Huether	✓				
Kerzman		✓			
Lloyd		✓			
Monson	✓				

Total (Yes) ~~8~~ 10 No ~~8~~ 8

Absent ~~2~~ 2

Floor Assignment Rep. Carlisle

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2055, as engrossed: Appropriations Committee (Rep. Dalrymple, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (10 YEAS, 8 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2055 was placed on the Sixth order on the calendar.

Page 1, line 9, replace "ninety-one" with "seventy-five"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 160 - LEGISLATIVE COUNCIL

HOUSE - The amendment reduces the per diem rate for attendance at Legislative Council related meetings from \$91 as approved by the Senate to \$75 as introduced and recommended by the Legislative Compensation Commission. The current per diem rate is \$62.50.

1999 TESTIMONY

SB 2055

Report of the
LEGISLATIVE COMPENSATION COMMISSION

submitted to the
NORTH DAKOTA LEGISLATIVE ASSEMBLY
January 1999

Commission Members:

Harold N. Trautman, Chairman
Rosie Black
Jim Gerl
Tish Kelly
Ray Schmidt

Legislative Council Staff:

John D. Olsrud, Director
Jay E. Buringrud, Assistant Director
Chester E. Nelson, Jr., Legislative Budget Analyst and Auditor
Jim W. Smith, Assistant Legislative Budget Analyst and Auditor
John Walstad, Code Revisor
Jeffrey N. Nelson, Assistant Code Revisor
Allen H. Knudson, Senior Fiscal Analyst
John D. Bjornson, Counsel
L. Anita Thomas, Counsel
Paul R. Kramer, Senior Fiscal Analyst
Vonette J. Richter, Counsel
Joe R. Morrissette, Fiscal Analyst
Timothy J. Dawson, Counsel
Jennifer S. N. Clark, Counsel
Marilyn Guttromson, Research Librarian
Carla Unrath, Support Staff Administrator
Maryann F. Trauger, Information Technology Coordinator
Karen J. Mund, Legislative Administrator
Chuck Picard, Information Technology Computer Specialist
Mary H. Janusz, Information Technology Support Specialist

LEGISLATIVE COMPENSATION COMMISSION

The Legislative Compensation Commission was originally established by the 1969 Legislative Assembly. Consisting of five members appointed by the Governor, the primary duty of the commission was to determine appropriate levels of expense allowance and compensation to be paid to members of the North Dakota Legislative Assembly. In 1979, after ten years of existence, the law which created the original Legislative Compensation Commission was repealed.

The Legislative Compensation Commission was recreated by passage of 1983 Senate Bill No. 2360. The bill, now codified as North Dakota Century Code (NDCC) Sections 54-03-19.1 and 54-03-19.2, once again established a Legislative Compensation Commission to determine appropriate levels of expense allowance and compensation to be paid to members of the Legislative Assembly.

In 1993 NDCC Section 54-03-19.1 was amended to direct the Legislative Compensation Commission to also develop recommendations for a long-term policy on legislative compensation, expense allowance, and insurance benefits. In addition, the 1993 Legislative Assembly amended Section 54-03-19.2 to allow the

commission to file with the Legislative Council a bill incorporating its recommendations.

The membership of the Legislative Compensation Commission has traditionally been bipartisan. The 1995-96 Legislative Compensation Commission recommended a bill to make bipartisan membership a requirement of the commission. The 1997 Legislative Assembly adopted the commission's recommendation and amended NDCC Section 54-03-19.1 to provide that no more than three of the five appointees to the Legislative Compensation Commission can represent the same political party.

Commission members were Harold N. Trautman (Chairman), Rosie Black, Jim Gerl, Tish Kelly, and Ray Schmidt. The commission met on June 9, 1998.

BACKGROUND INFORMATION History of Legislative Compensation and Expense Reimbursement Rates

The Legislative Compensation Commission reviewed information on legislative compensation and expense reimbursement rates from 1889 to 1997, summarized as follows:

Year	Compensation for Each Calendar Day During Session	Expense Reimbursement per Session	Expense Reimbursement for Each Day During Session	Expense Reimbursement for Each Month During Session	Expense Reimbursement or Compensation for Each Month During Term of Office
1889	\$5	10 cents per mile			
1945	\$5	\$300			
1949	\$5	\$600			
1957	\$5	\$1,200 ¹			
1965	\$5	\$1,200 ²			\$35 ²
1967	\$5		\$25		\$35
1969	\$5		\$35		\$35
1971	\$5		\$40		\$50
1973	\$5		\$50		\$50
1975	\$5		\$60		\$75
1977	\$5		\$60		\$150
1979	\$5		\$70		\$150
1981	\$5		\$85		\$180
1983	\$40		\$50 ³		\$180
1985	\$90			\$600 ⁴	\$180 ⁵
1997	\$111			\$650	\$250

¹ Section 54-03-20 was amended in 1959 to provide that the \$1,200 payment was reimbursement for expenses incurred during the interim and during the legislative session.

² Section 54-03-20 was amended in 1965 to provide that the \$1,200 payment was reimbursement only for expenses incurred during the session and to provide for payments of \$35 per month during each legislator's term of office as payment for uncompensated expenses.

³ Bismarck legislators received \$90 per day during session as compensation and did not receive any amount for daily expense reimbursement.

⁴ Section 54-03-20 was amended to provide that legislators not from the Bismarck area receive reimbursement for lodging or mileage at the rates provided for state employees, to a maximum of \$600 per month.

⁵ House Bill No. 1243 (1985) amended Section 54-03-20 to provide that the monthly amount paid to legislators during the interim was compensation, not reimbursement for expenses.

Current Compensation, Per Diem, and Expense Reimbursement Rates

The Legislative Compensation Commission reviewed information on the current compensation,

per diem, and expense reimbursement rates provided to members of the Legislative Assembly, summarized as follows:

<p>Compensation for Regular, Special, or Organizational Sessions</p>	
<p>Salary (Section 54-03-20)</p>	<p>\$111 per calendar day</p>
<p>Additional compensation (Section 54-03-10)</p>	
<p>Speaker of the House</p>	<p>\$10 per calendar day</p>
<p>House majority leader</p>	<p>\$10 per calendar day</p>
<p>Senate majority leader</p>	<p>\$10 per calendar day</p>
<p>House minority leader</p>	<p>\$10 per calendar day</p>
<p>Senate minority leader</p>	<p>\$10 per calendar day</p>
<p>Chairmen of substantive standing committees</p>	<p>\$5 per calendar day</p>
<p>House assistant majority leader</p>	<p>\$5 per calendar day</p>
<p>Senate assistant majority leader</p>	<p>\$5 per calendar day</p>
<p>House assistant minority leader</p>	<p>\$5 per calendar day</p>
<p>Senate assistant minority leader</p>	<p>\$5 per calendar day</p>
<p></p>	
<p>Expense Reimbursement for Regular, Special, or Organizational Sessions</p>	
<p>Lodging expenses (Sections 44-08-04 and 54-03-20)</p>	<p>\$39 plus tax per calendar day up to \$650 per month</p>
<p>Mileage (Sections 54-03-20 and 54-06-09)</p>	<p>Twenty-five cents per mile for one round trip each calendar week going to and from the meeting of the Legislative Assembly. If travel is by common carrier, reimbursement must be at coach fare and may not exceed 1.5 times the amount the legislator would be entitled to receive as mileage reimbursement for travel by motor vehicle. Legislators who live in districts outside Bismarck are allowed daily round-trip mileage reimbursement of 25 cents per mile or lodging reimbursement of up to \$39 per night plus any applicable state or local taxes, or a combination of mileage and lodging reimbursement up to a maximum of \$650 per month.</p>
<p></p>	
<p>Compensation During Term of Office</p>	
<p>Compensation paid to legislators during their term of office, either monthly or every six months at the legislator's option (Section 54-03-20)</p>	<p>\$250 per month</p>
<p></p>	
<p>Compensation for Interim Meetings</p>	
<p>Compensation for attendance at meetings of the Legislative Council and its committees (Section 54-35-10)</p>	<p>\$62.50 per day</p>
<p>Additional compensation</p>	
<p>Legislative Council chairman (Section 54-35-10)</p>	<p>\$5 per day</p>
<p>Committee chairmen (Section 54-35-10)</p>	<p>\$5 per day</p>
<p></p>	
<p>Expense Reimbursement for Interim Meetings</p>	
<p>Meals (Section 44-08-04)</p>	<p>Up to \$20 per day in state; an amount equal to the federal per diem meals rate for out-of-state travel</p>

Lodging (Section 44-08-04)

Mileage (Section 54-06-09)

Actual expenses not to exceed \$39 per day, plus any applicable state or local taxes in state; actual expenses out of state

Twenty-five cents per mile by motor vehicle; 18 cents per mile by motor vehicle 150 miles beyond the state border; 35 cents per mile by private airplane

Previous Recommendations of the Legislative Compensation Commission

The Legislative Compensation Commission reviewed recommendations of the Legislative Compensation Commission from the 1991-92 interim to the 1995-96 interim.

The 1991-92 Legislative Compensation Commission recommended, in its report to the 1993 Legislative Assembly, that legislative compensation for the 1993 session and the 1993-94 interim remain at the level then in effect and that future legislative compensation levels be increased by the same average percentage provided for state employee salary increases.

The 1993-94 Legislative Compensation Commission recommended, in its report to the 1995 Legislative Assembly, that legislators' monthly compensation be increased by \$70 per month from \$180 to \$250 per month, to partially reflect salary increases provided to state employees during the 1993-95 biennium. (The 1993 Legislative Assembly provided state employees salary increases of \$60 per month the first year of the 1993-95 biennium and three percent for the second year.) The commission also recommended this amount be paid monthly rather than every six months. These recommendations were incorporated into 1995 House Bill No. 1121, which failed to pass.

The 1995-96 Legislative Compensation Commission recommended three bills for consideration by the 1997 Legislative Assembly.

1. Senate Bill No. 2051 - To increase legislators' compensation from \$180 to \$250 per month, paid monthly rather than every six months.
2. Senate Bill No. 2052 - Contained the following provisions:
 - a. No more than three of the five appointees of the Legislative Compensation Commission could represent the same political party.
 - b. The commission would be required to report its recommendations regarding legislative compensation and expense reimbursement to the Legislative Assembly by December 1, 1998, and by December 1 of each subsequent even-numbered year. The compensation levels recommended by the commission would become effective on December 1 of each even-numbered year and would remain in effect unless disapproved by a

concurrent resolution adopted by 60 percent of the members-elect of each house within 30 days after the convening of the subsequent Legislative Assembly. If the recommendation of the commission were rejected by the Legislative Assembly, the levels of legislative compensation, expense reimbursement, and insurance benefits would revert to the levels in effect before December 1 of the preceding year.

- c. Statutory references to the amount of compensation provided pursuant to NDCC Section 54-35-10, which sets the level of legislative compensation for attending interim meetings, would be changed to the fixed dollar amount of \$62.50 per day. This change was recommended so that the recommendations of the Legislative Compensation Commission would affect only compensation paid to legislative committee members, not members of boards and commissions that provide compensation based on the amount provided to legislators.
3. Senate Bill No. 2053 - To increase legislators' maximum lodging reimbursement during the legislative session from \$600 to \$650 per month and to increase legislators' compensation for attending interim meetings from \$62.50 to \$90 per day.

Senate Bill No. 2051, as passed by the 1997 Legislative Assembly, included the recommended increase in monthly compensation from \$180 to \$250 and the provision that at the legislators' option this amount could be paid monthly rather than every six months. In addition, this bill was amended to include an increase in the daily compensation paid to legislators during the legislative session from \$90 to \$111.

Senate Bill No. 2052, as passed, did not include any provisions to allow the Legislative Compensation Commission to set the level of legislative compensation. However, statutory references to the amount of compensation provided pursuant to NDCC Section 54-35-10 were changed to the fixed dollar amount of \$62.50 per day, as included in the introduced bill. The Legislative Assembly also did not change the provision that no more than three of the

five members of the commission can represent the same political party.

Senate Bill No. 2053, as passed by the 1997 Legislative Assembly, included the recommended increase in legislators' maximum lodging reimbursement from \$600 to \$650 per month but did not increase legislator compensation for attending interim meetings.

Other Information

The Legislative Compensation Commission reviewed the following:

- The provisions of NDCC Sections 54-03-19.1 and 54-03-19.2 relating to the duties of the Legislative Compensation Commission.

- A document prepared by the National Conference of State Legislatures entitled *1997 Compensation and Benefits for State Legislators*, which included information on legislative compensation, expense reimbursement, and benefits provided in each of the 50 states.
- A Legislative Council memorandum entitled *Legislative Compensation Increases Compared to Inflation and State Employee Salary Increases - 1991-1998*. The following schedule compares actual calendar year 1998 legislative compensation rates to 1981 rates adjusted annually for inflation and state employee salary increases:

	Actual 1998 Compensation Rates	1981 Compensation Rates Adjusted for Inflation	1981 Compensation Rates Adjusted for Salary Increases Provided to State Employees
Interim daily compensation	\$62.50	\$112.81	\$98.52
Session daily compensation	\$111.00	\$162.44	\$141.88
Monthly compensation during term of office	\$250.00	\$324.91	\$398.58

Discussion and Comments

The following comments were made by members of the Legislative Compensation Commission or by members of the Legislative Management Committee during a meeting with that committee:

- The Legislative Compensation Commission should determine a level of legislative compensation that will allow citizens to hold legislative office without undue financial sacrifice.
- The Legislative Compensation Commission should consider increasing the mileage allowance provided for legislators.
- The Legislative Compensation Commission should attempt to improve citizen awareness of problems relating to inadequate legislative compensation.
- North Dakota spends a relatively small amount for legislative representation.
- The Legislative Compensation Commission should consider increasing the interim daily compensation paid to legislators for attending committee meetings.

- Legislative compensation rates should be adjusted annually based on the inflation rate or legislatively authorized salary increases for state employees.
- It is inconsistent for legislators to be paid \$62.50 per day for work during the interim, but \$111 per day during legislative sessions.

RECOMMENDATION

To partially reduce the disparity between pay received by legislators for work during the interim and during the legislative session (legislative session pay of \$111 per day includes payment for meals expenses, legislative interim pay of \$62.50 per day is separate from meals reimbursement of up to \$20 per day), the Legislative Compensation Commission recommends Senate Bill No. 2055 to amend NDCC Section 54-35-10 to increase legislators' interim daily compensation from \$62.50 to \$75. The estimated cost of this increase for the 1999-2001 biennium is \$61,848 from the state general fund, which has been included in the budget request for the Legislative Council.

April 1998

LEGISLATIVE COMPENSATION INCREASES COMPARED TO INFLATION AND STATE EMPLOYEE SALARY INCREASES - 1981 TO 1998

This memorandum provides an analysis for the period 1981 through 1998 of actual legislative compensation rates and legislative compensation rates adjusted for inflation and state employee salary increases.

LEGISLATIVE COMPENSATION RATES

North Dakota Century Code Section 54-03-20 provides that each member of the Legislative Assembly is entitled to receive compensation of \$111 per calendar day during each regular, special, or organizational session. In addition, during each legislator's term of office, they are entitled to receive monthly compensation of \$250. Section 54-35-10 provides that legislators are also entitled to receive compensation of \$62.50 per day for attending interim meetings of the Legislative Council and its committees.

CHANGES IN LEGISLATIVE COMPENSATION SINCE 1981

In 1981 the amount legislators were paid as monthly compensation was increased from \$150 to \$180. Also in 1981 the amount legislators were paid for attending meetings of the Legislative Council and its committees was increased from \$52 per day to the current rate of \$62.50 per day.

In 1981, legislative session compensation was constitutionally limited to \$5 per calendar day. However, the 1981 Legislative Assembly set the level of expense reimbursement during legislative sessions at \$85 per calendar day, for a total of \$90 per day.

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, which 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 rates of legislative compensation and expense reimbursement during legislative sessions 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 expense reimbursement and compensation for all legislators remained unchanged at \$90 per day.

The 1985 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 term of office be referred to as compensation rather than reimbursement for expenses.

Section 54-03-20 was not substantively changed again until 1997. The changes made by the 1997 Legislative Assembly include the following:

- Increased daily compensation during legislative sessions from \$90 to \$111.
- Increased monthly compensation during each legislator's term of office from \$180 to \$250.
- Provided that monthly compensation may be paid monthly, rather than every six months, at the option of each legislator.

The schedule attached as an appendix provides an analysis, for the period 1981 through 1998, of actual legislative compensation rates and legislative compensation rates adjusted for inflation and state employee salary increases.

ATTACH:1

**ACTUAL LEGISLATIVE COMPENSATION RATES AND LEGISLATIVE COMPENSATION RATES ADJUSTED FOR INFLATION AND STATE
EMPLOYEE SALARY INCREASES - 1981 THROUGH 1998**

Calendar Year	Actual Compensation Rates			Inflation ²	Compensation Rates Adjusted for Inflation			Salary Increases Provided to State Employees	Compensation Rates Adjusted for Salary Increases Provided to State Employees		
	Interim Daily Compensation	Session Daily Compensation and Expense Reimbursement ¹	Monthly Compensation During Term of Office		Interim Daily Compensation	Session Daily Compensation	Monthly Compensation During Term of Office		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		\$62.50	\$90.00	\$180.00
1982	\$62.50	\$90.00	\$180.00	6.2%	\$66.38	\$95.58	\$191.16	8.0% ³	\$67.50	\$97.20	\$194.40
1983	\$62.50	\$90.00	\$180.00	3.2%	\$68.50	\$98.64	\$197.28	2.0% ⁴	\$68.85	\$99.14	\$198.29
1984	\$62.50	\$90.00	\$180.00	4.3%	\$71.45	\$102.88	\$205.76	2.0% ⁴	\$70.23	\$101.12	\$202.26
1985	\$62.50	\$90.00	\$180.00	3.5%	\$73.95	\$106.48	\$212.96	5.5% ⁵	\$74.09	\$106.68	\$213.38
1986	\$62.50	\$90.00	\$180.00	1.9%	\$75.36	\$108.50	\$217.01	4.0% ⁶	\$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% ⁷	\$82.52	\$118.83	\$237.68
1990	\$62.50	\$90.00	\$180.00	5.4%	\$89.85	\$129.37	\$258.77	0.0% ⁸	\$82.52	\$118.83	\$237.68
1991	\$62.50	\$90.00	\$180.00	4.2%	\$93.62	\$134.80	\$269.64	4.0% ⁹	\$85.82	\$123.58	\$247.19
1992	\$62.50	\$90.00	\$180.00	3.0%	\$96.43	\$138.84	\$277.73	\$40/Month	\$85.82 ¹⁰	\$123.58 ¹⁰	\$287.19
1993	\$62.50	\$90.00	\$180.00	3.0%	\$99.32	\$143.01	\$286.06	\$60/Month	\$85.82 ¹¹	\$123.58 ¹¹	\$347.19
1994	\$62.50	\$90.00	\$180.00	2.6%	\$101.90	\$146.73	\$293.50	3.0% ¹²	\$88.39	\$127.29	\$357.61
1995	\$62.50	\$90.00	\$180.00	2.8%	\$104.75	\$150.84	\$301.72	2.0%	\$90.16	\$129.84	\$364.76
1996	\$62.50	\$90.00	\$180.00	2.9%	\$107.79	\$155.21	\$310.47	3.0% ¹³	\$92.86	\$133.74	\$375.70
1997	\$62.50	\$111.00	\$250.00	2.4% ¹⁴	\$110.38	\$158.94	\$317.92	3.0% ¹⁵	\$95.65	\$137.75	\$386.97
1998	\$62.50	\$111.00	\$250.00	2.2% ¹⁴	\$112.81	\$162.44	\$324.91	3.0% ¹⁵	\$98.52	\$141.88	\$398.58

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

² The inflation rate is the annual percentage change in the consumer price index for all urban consumers.

³ The actual salary increase was reduced by a budget allotment directed by the Governor.

⁴ The percentage shown is a two percent additional state paid contribution to retirement in lieu of a salary increase.

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

⁶ 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, only the four percent increase was applied to legislative compensation.

- ⁷ Salary increases of 11.4 percent were provided for higher education faculty at the University of North Dakota 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 Medical School; 8.7 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.
- ⁸ Salary increases of seven percent were provided for higher education faculty at four-year universities, five percent for higher education faculty at two-year colleges, and zero percent for all other state employees.
- ⁹ A salary increase of four percent, with a minimum of \$50 per month, was provided for state employees. For the purposes of this analysis, only the four percent increase was applied to legislative compensation.
- ¹⁰ For the purposes of this analysis, the \$40 per month increase was applied only in legislative monthly compensation provided during each legislator's term of office.
- ¹¹ For the purposes of this analysis, the \$60 per month increase was applied only in legislative monthly compensation provided during each legislator's term of office.
- ¹² A salary increase of up to three percent was provided, to the extent available from agency savings.
- ¹³ The salary increase of three percent includes one percent provided for salary inequity adjustments and merit increases.
- ¹⁴ Projected annual percentage increase in the consumer price index for all urban consumers, as projected by WEFA.
- ¹⁵ Salary increases were a minimum of \$30 per month, with any additional increases based on merit and equity, up to an average of three percent. For the purposes of this analysis, only the three percent increase was applied to legislative compensation.