

Approved: February 22, 2000
Date

MINUTES OF THE HOUSE FEDERAL AND STATE AFFAIRS.

The meeting was called to order by Chairperson Representative Tony Powell at 1:30 p.m. on February 17, 2000 in Room 313-S of the Capitol.

All members were present except: Representative Findley, Excused
Representative Freeborn, Excused
Representative Mayans, Excused
Representative Ruff, Excused

Committee staff present: Theresa Kiernan, Revisor of Statutes
Russell Mills, Legislative Research
Mary Galligan, Legislative Research
Winnie Crapson, Secretary

Conferees appearing before the committee:

Ben Barrett, Director, Legislative Research
Roland Smith, Chairman, Legislative Compensation Commission

Others attending: See attached list.

Chairman Powell convened the committee meeting.

Without objection bill will be introduced providing technical amendments to the Kansas Securities Act requested by the Securities Commissioner as requested by Representative Cox.. [See HB 2997 introduced February 18.]

Chairman Powell opened the hearing on
HB 2606, Legislative Compensation Commission, recommendations effective unless rejected by the legislature.

Ben Barrett, Director of Legislative Research, served as staff support for the first year of operation of the Legislative Compensation Commission and presented an overview. The Commission was established by the Legislature in 1998 to meet in even-numbered years and submit recommendations to the Legislative Coordinating Council and Governor by December 1 of that year. If legislation is required, it was to be introduced immediately in the following session. It contains interesting provisions that such legislation is to be acted upon by February 1. It is a seven-member commission appointed one member each by the top six legislative leaders and one by the Governor to serve as chair. The first Commission was made up of people clearly concerned and well versed.

In the summer and fall of 1998 the Commission informed itself about the status of legislative compensation programs among the states and attempted some comparisons. It is difficult to find ways to compare workloads given the diversity of their organization and operation. The guiding principles of the Commission were: (1) they were convinced that legislative compensation in Kansas was too low and needed to be increased; (2) they placed a high value on benefits to Kansas of a legislature that was both diverse and represented all kinds of interests; and (3) the extent compensation can contribute to the conception of citizen legislators as opposed to professional legislators. The legislative compensation program should be easy for the public to understand and accept.

The Commission recommended that an annual rate of pay be established at \$18,000 per year to replace the daily \$74.58. They would leave in place the interim expense allowance of \$5,400. The annual rate would continue subject to cost of living adjustment. They believed the annual rate of pay approach would be easier for the public to understand and would help to recognize the work of legislators throughout the year with the legislature is not in session. With this recommendation Kansas would not rank among the higher paying states but would be in the middleground.

CONTINUATION SHEET
MINUTES OF THE HOUSE COMMITTEE ON FEDERAL AND STATE AFFAIRS
February 17, 2000

The Commission was of the view that annualizing for KPERS purposes is not justified. Clearly it causes problems of public perception. The Commission recommended for new members of the Legislature (effective 2001) base would be \$18,000 annually. Existing members would continue service and be held harmless.

The Commission recommended a new system of voucher reimbursement for mileage to attend events for legislative service in their district but in a county other than that of their residence.

Continuation of the present practice for determining leadership pay and subsistence arrangements and participation in interim committees was endorsed.

Russell Mills, Legislative Research, presented a packet of information (Attachment 1) relating to the Compensation Commission including:

- (1) First Biennial Report: December 1, 1998
- (2) Report to the 2000 Kansas Legislature
- (3) Fiscal note for **HB 2606**
- (4) FY 2000 Kansas Legislators Compensation and Expenses—Annualized
- (5) Analysis of Missouri Citizens' Commission on Compensation for Elected Officials
- (6) Report of the National Conference of State Legislatures of 1997-98 Compensation and Benefits for State Legislators
- (7) Report of Legislative Compensation in the Midwest dated July, 1999
- (8) History of Legislative Pay in Kansas 1861-2000

Jack Hawn, Deputy Executive Secretary of KPERS, responded to a question that an \$18,000 salary being proposed would generate monthly benefit of \$26.25 per month per year of service. Mr. Hawn said it could be more than three times that amount. under current law which allows annualization of salaries.

The LCC authorized the Commission to meet in 1999 as a special committee although the enabling legislation contemplates meetings only in even-numbered years. They reviewed recommendations to the 1999 Legislature, none of which were enacted. One which came to the floor received twelve votes. A Committee bill carried over to this year has been killed. The Commission voted unanimously to recommend adopting the Missouri example" recommendations take effect unless rejected by February 1.

The fiscal note is \$700,000 to \$800,000 in FY 2002 for the 1998 recommendations of the Commission, which are still in effect (see fiscal note for 1999 SB 55).

Mr. Mills said the Commission has the authority to set additional pay for members of leadership and committee chairs and retirement pay. The question of whether or not the legislature can amend the proposal has not been thoroughly discussed, but it is assumed the Constitutional provision relating to Executive Orders would apply.

Representative Edmonds asked if there was a constitutional problem with delegating so much authority to a group outside the legislature. Theresa Kiernan presented a note from Jim Wilson, First Assistant Revisor, stating the opinion that this would be permissible under the constitution, referring to p. 26-3 of Reports of Special Committees to the 1974 Kansas Legislature stating that language in the Constitution "as is determined according to law" was intended to permit the legislature to "create a compensation commission which would establish compensation subject to approval of, or veto by, the legislature." (Attachment #2). Mr. Wilson's memorandum on **HB 2606** dated January 7, 2000 was distributed (Attachment #3).

Mr. Mills said both chambers of the Missouri General Assembly must reject the proposal. **HB 2606** would allow either the Senate or the House to reject it. At their meeting in October two Commission members who are former legislators said they believed if a chamber wanted to vote it would be done whether or not supported by the leadership.

CONTINUATION SHEET
MINUTES OF THE HOUSE COMMITTEE ON FEDERAL AND STATE AFFAIRS
February 17, 2000

In response to questions Mr. Mills said it was difficult to specify "average" legislative pay since some members serve on many interim committees and would exceed the twelve days provided.

Chairman Powell asked that information be provided relating to Oklahoma and other states which have compensation commissions. Mr. Mills said about twenty states have compensation commissions.

Representative Klein noted constitutional amendment would be stronger than a statute passed by the Legislature.

Roland Smith, Chair of the Legislative Compensation Commission, addressed the Committee. He said members believed they were called to take an objective look at compensation and were disappointed that their recommendations were not acted upon. Reflecting on the Missouri system many members believed our present Commission was not large enough.

Mr. Smith said the Commission discussed the possibility of their recommendations being amended but believed the idea was to get a vote up or down at that point in the process. If acceptable to the majority, it would not be voted down. He expressed his opinion based upon eighteen years experience that membership involves a sacrifice in business and personal life. He serves on the Commission because he believes the issue deserves the attention of the public which has no idea how many hours are spent. People need to be interested in what legislators do and how they do it. The Commission does not intend their proposal to be the final bill but a starting place for discussions.

In response to question from Representative Edmonds, Mr. Smith said it was the view of the Commission that the level of compensation inhibits people from running for the legislature. He said 99 out of 100 small business people cannot afford to serve.

Chairman Powell said that although no seats were unfilled, there was only one candidate for over half of the seats in the House last year which impacts diversity. Mr. Smith said it would cost the average small business owner about \$40,000 for the time they would miss from their business.

Representative Mason expressed appreciation for the work of the Commission in serving an important function legislators are not willing to do it for themselves. He would much rather the Commission would make the proposals than to depend on editorial staffs around the state to make the policy. He noted the comparison to compensation for County Commissioners at \$200 per day and mileage for about the same number of days a year. When he was chair of the Education Committee he went to almost every county in the state with no provision for extra expenses. He netted less than \$4,000 that year and there was less than one week he was not on the job.

Representative Mays noted the experience of each member of the Committee which he believes is representative of the cross section represented by the Legislature.

Chairman Powell wants to protect that diversity in the future. He believes it is important to have attorneys in the Legislature because of their expertise but their number is decreasing. It has had an impact on his practice both financially and in an inability to keep up with clients while here. He believes it is worse now than when he came six years ago. He notes a group under-represented is people in their thirties, with families, who are the principal wage earners. Over fifty percent of present members are either retired or their spouse is the primary wage earner. That is not representative of the total workforce

Mr. Smith said there needs to be diversity in ages and professions. He responded to a question that there were mixed emotions about the definition of "citizen legislator" but one definition would be that it is part time rather than fulltime.

Chairman closed the hearing on HB 2606.

The meeting adjourned. The next scheduled meeting is February 21.

HOUSE FEDERAL & STATE AFFAIRS COMMITTEE

COMMITTEE GUEST LIST

DATE: Feb. 17

NAME	REPRESENTING
Bob Harder	Independent
Velly Kustala	City of Overland Park
Mark Goodwin	Heint Weir

COMPENSATION COMMISSION

First Biennial Report: December 1, 1998 to the Governor and Legislative Coordinating Council

COMPENSATION OF MEMBERS OF THE KANSAS LEGISLATURE

CONCLUSIONS AND RECOMMENDATIONS

The Commission recommends that the 1999 Legislature enact legislation that, commencing in the 2001 Session, would do the following:

- Legislative compensation would be set at an annual rate of \$18,000. This replaces both the per diem compensation (\$72.06 per day) method and the interim expense allowance (\$5,400 per year) provision. This represents a compensation increase of about \$5,000 to \$5,500 for an "average year" of legislative service. As under current law, compensation automatically would be increased for cost-of-living adjustments made in the general pay plan for classified state employees.
- For new members of the Legislature in 2001, participation in the Kansas Public Employees Retirement System (KPERS) would be based on the actual annual rate of compensation rather than annualization of a daily rate of compensation. For continuing members of the Legislature in 2001, KPERS participation would continue to be determined on the current basis.
- Legislators whose districts encompass all or portions of more than one county would receive vouchered mileage reimbursement for travel to meetings related to the member's legislative responsibilities when the Legislature is not in session when the indistrict meetings are held in a county other than the one of the member's residence.

The current methods of determining legislators' subsistence allowance, mileage reimbursement, and leadership pay would not be changed. Optional participation by legislators in the state health insurance program would not be changed. KPERS participation would be continued, but the method of determining legislative compensation for that purpose would be altered as noted above.

BACKGROUND

The Compensation Commission was created by the 1998 enactment of S.B. 514. The Commission is composed of seven members, one member each appointed by the President, Majority Leader, and Minority Leader of the Senate; the Speaker, Majority Leader, and Minority Leader of the

House; and the Governor. No member appointed to the Commission may be a registered lobbyist, a member of the Legislature, or a member of the Legislature within two years of the date of appointment. Of the members first appointed, the terms of members appointed by the President of the Senate, Speaker of the House, and the Governor are for four years. The terms of the

other appointees are two years. Thereafter, all members serve four-year terms. Terms began on July 1, 1998. The member appointed by the Governor serves as chair of the Commission. All official actions require a majority vote of the Commission.

The Commission studies the compensation, expense allowances, and reimbursement of members of the Legislature. The Commission meets in even-numbered years and submits the report of its recommendations to the Legislative Coordinating Council and Governor by no later than December 1 of that year. If implementation of the Commission's recommendations requires legislation, a bill containing the recommendations is introduced at the commencement of the next legislative session. The statutes state that in order for this bill to become effective, it must be enacted by no later than February 1 of the odd-numbered year of introduction.

COMMISSION ACTIVITIES

The Commission held three one-day meetings in the conduct of its duties. The first two meetings, August 26 and September 30, were devoted to the twin tasks of studying background materials prepared by staff and engaging in policy discussions. The third meeting, held October 20, was focused on reaching agreement on the Commission's recommendations.

The Commission reviewed materials which included the history of legislative compensation, subsistence allowance, interim expense allowance, mileage reimbursement, and leadership pay in Kansas; total and currently estimated expenditures from the Legislature's budget for legislative compensation, allowances, and reimbursements; compensation and benefits for legislators in all 50 states; Kansas statutory provisions relating to legislator compensation, subsistence allowance, mileage reimbursement, and other benefits; Kansas specific information on legislator participation in the state employees health insurance program and in KPERS; Kansas legislators' daily compensation over a ten-year period as compared to such compensation adjusted for changes in the

Consumer Price Index for All Urban Consumers and as compared to step movement and cost-of-living adjustments in the pay plan for classified state employees; and comparative information for Kansas and ten other states (Nebraska, Utah, Arkansas, Mississippi, Iowa, Oregon, Oklahoma, Colorado, Arizona, and Missouri) regarding state population, size of the state budget, legislators' compensation, length of regular legislative sessions, standing committees of the legislature, and interim legislative activity.

CONCLUSIONS AND RECOMMENDATIONS

Based upon the information reviewed and its deliberations, the Commission has concluded that an increase in the compensation paid to Kansas legislators is warranted. Some other changes in the compensation package for legislators also are recommended.

Current Package. At the present time, Kansas legislators receive compensation, allowances, and reimbursements as follows:

- Compensation of \$72.06 per day during any regular or special session of the Legislature and for participation in interim legislative meetings. Under current law, this amount is adjusted automatically commensurately with cost-of-living adjustments made in the state pay plan for classified employees.
- Subsistence allowance of \$80.00 per day for expenses for any regular or special session of the Legislature and for participation in interim legislative meetings. For out-of-state meetings, actual expenses are paid if they exceed \$80.00 per day. Under current law, the daily subsistence amount is adjusted automatically to the per diem expense allowance amount allowable under federal law and regulations for federal executive branch employees while serving away from home in Topeka.
- Interim expense allowance of \$5,400, paid in 20 biweekly installments commencing with the first biweekly pay period in April.

- Mileage reimbursement at 32 cents per mile for not more than one trip for each full week the Legislature is in regular or special session and for participation in interim legislative meetings. This amount is the mileage reimbursement rate set, in accord with law, by the Secretary of Administration for travel in private cars by state employees.

Additional annual compensation is provided for certain of the legislative leadership positions. These include the President and Vice President of the Senate and the Speaker and Speaker Pro Tem of the House; the Majority, Minority, Assistant Majority, and Assistant Minority Leaders of the House and Senate; and the Chairs of the House Appropriations and Senate Ways and Means Committees. This additional compensation is in recognition of the increased responsibilities and time demands on these persons.

In addition, legislators may participate in the state employees health insurance program, which involves state participation in premiums payment, and in KPERS. Workers compensation coverage also is applicable.

Legislator participation in KPERS has been broadly discussed in the public mainly due to the procedure for annualization of the per diem compensation and subsistence allowance amounts that legislators receive. This leads to a computed annual salary for determining KPERS retirement benefits that is greater than amounts legislators actually receive during the year. For example, while a "typical" member of the Legislature this year might receive a total of about \$20,000 in per diem compensation, subsistence allowance, and interim expense allowance, the member's annual salary for KPERS purposes would be about \$62,000. Legislators must pay the 4.0 percent employee contribution rate on the total annualized amount, not the amount they actually receive. The legislative leaders who receive additional compensation (see above) are permitted to include their leadership salaries in their KPERS calculations for retirement benefits.

Recommendations. The Committee recommends the following changes in the legislative

compensation, allowances, and benefits package:

- Legislative compensation should be paid at an annual rate of \$18,000. This would replace both the current per diem compensation pay system and the \$5,400 per year interim expense allowance that legislators now receive. On an annual basis, this represents a compensation increase of about \$5,000 to \$5,500 for an "average year" of legislative service. This compensation would be adjusted automatically, just as the current per diem compensation is adjusted, for cost-of-living adjustments that the Legislature approves for the general pay plan for classified state employees.
- Participation in KPERS would be changed as follows: the actual annual salary of legislators would replace the annualization of per diem compensation plus inclusion of the interim expense allowance (abolished under the Commission's proposal) for all new members of the Legislature beginning in January 2001. Other members would continue KPERS participation based on the present annualization method computed on the per diem compensation and interim expense allowance rates in effect prior to that time. The benefits due retirees at the time of implementation of this recommendation would be unaffected by the change.
- For legislators whose districts encompass all or portions of more than one county, vouchered mileage reimbursement would be paid for travel to meetings relating to the member's legislative responsibilities when the Legislature is not in session and when the meetings occur within the member's district but in a county other than the one of the member's residence.

The Committee endorses continuation of the present methods of determining additional pay for certain legislative leadership positions, the legislative subsistence allowance, and the mileage reimbursement rate for travel. Also, the Commission endorses current provisions for legislator participation in the state's health insurance program. Continued access to KPERS participation,

subject to the modifications necessarily related to migrating to an annual compensation method (see above), also is endorsed.

Discussion. For a variety of reasons, the Commission believes legislative compensation should be increased. The Commission places high value on the benefits to the whole state of having a diverse legislative body, one which brings to the policymaking forum the views of all segments and interests of the people of Kansas. Compensation is an important consideration in this regard. The Commission supports compensation at a level that includes incentive enough to make it possible for persons of any station in society to consider public service in the Legislature. But, the Commission also does not support compensation that is high enough to attract legislative candidates for whom the compensation becomes a primary goal. Further, the Commission seeks, as far as is reasonably possible, to preserve the "citizen legislature" orientation for Kansas. Unfortunately, there is no formula upon which to rely in order to determine an exact level of compensation that will satisfy the Commission's objectives. In the end, this determination comes down to the wisdom of the collective judgment of persons who have the state's highest interests in mind.

The Commission believes that moving to an annual compensation method is better than the current "per day of service" approach. The compensation that members now receive varies among them, depending mainly on the amount of interim legislative study activity in which they are involved. This method is insensitive to the amount of time legislators spend in meetings and appearances in their districts. However, an annual salary implicitly recognizes duties beyond attendance at legislative sessions and interim study committee meetings. The Commission's recommendation, while making legislators' salaries more nearly comparable to those in similar states, also removes confusion that now exists regarding the interim expense allowance as a part of the legislative compensation package. Under the Commission's proposal, the interim expense allowance would be eliminated. However, it was taken into account in the development of the

Commission's annual compensation proposal. Another product of moving to an annual compensation method is to link KPERS participation and benefits to actual compensation rather than to an annualized salary. This latter approach, for which a sound rationale may be provided, nonetheless has been the subject of periodic press criticism. An unfortunate consequence of these attacks is their contribution to cynicism and negativism among the citizenry about legislative service. The Commission believes its proposal will nurture more positive reviews of the legislative compensation program, including the retirement feature, than presently occur.

Based upon its understanding of contractual rights and obligations associated with the KPERS system, the Commission has concluded that the simplest and most defensible approach is to implement its recommendations effective with the service of new members of the Legislature, *i.e.* those who have no service under the present system. This means that beginning in 2001 and thereafter, all new members of the Legislature, or those who have had a break in their legislative service (for their "new" service), will commence participation in KPERS on the basis of the applicable annual salary. (Annualization of the subsistence allowance and inclusion of leadership pay also would continue to apply.) Legislators serving in the preceding session whose legislative service continues in 2001 would continue to participate in KPERS on the "old" basis during their continuous service as legislators, even though they also will move to the annual compensation method. Thus, their contractual rights and retirement expectations are preserved. These legislators become a "closed class" in that there may be no new entrants into the KPERS program on this basis after commencement of the 2001 Session.

This is a change in the groundrules for KPERS participation by new members of the Legislature beginning with the 2001 Session. The fiscal consequences of this change are that there will be a reduction in the state's contribution to KPERS on behalf of the new legislators and their retirement benefits will be lower than is the case under the current system.

The recommendation to provide vouchered mileage reimbursement for legislators whose districts cross county boundaries and who attend indistrict meetings pertaining to their legislative duties in a county other than the one of residence at times when the Legislature is not in session is designed to give some recognition to the greater demands of time and travel associated with providing representation in the districts which comprise the larger geographic areas. This proposal represents a first step in recognizing an issue that has for many years been a subject of discussion. The Commission recognizes that the legislative leadership sometimes will face difficult decisions relative to approval of the travel reimbursement for some types of meetings. Over time, though,

standardization in making such determinations will evolve.

The Commission's proposal is that its recommendations be implemented commencing with the convening of the 2001 Session of the Legislature. As all members of the House and Senate are subject to election in the year 2000, this will ensure that no member serving in the Legislature when the Commission's proposed legislation is enacted will benefit from it or be affected by it during that member's current term of service.

The Commission urges the 1999 Legislature to enact the legislation that accompanies this report.

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COMMISSION

Report of the
Legislative Compensation Commission
to the
2000 Kansas Legislature

CHAIRPERSON: Roland Smith

NONLEGISLATIVE MEMBERS: Bill Arnal, Robert Harder, Herbert A. Meyer III, Lon Pishney, Robert Talkington, Allan White

December 1999

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LEGISLATIVE COMPENSATION COMMISSION*

CONCLUSIONS AND RECOMMENDATIONS

The Legislative Compensation Commission recommends unanimously that legislation be enacted by the 2000 Legislature to provide that the recommendations of the Compensation Commission regarding legislative compensation automatically take effect unless rejected by either chamber by February 1.

The Compensation Commission affirms that its recommendations to the 1999 Legislature regarding legislative compensation are still in effect.

BACKGROUND

The Compensation Commission was created by the 1998 enactment of SB 514. The Commission is composed of seven members, one member each appointed by the President, Majority Leader, and Minority Leader of the Senate; the Speaker, Majority Leader, and Minority Leader of the House; and the Governor. No member appointed to the Commission may be a registered lobbyist, a member of the Legislature, or a member of the Legislature within two years of the date of appointment. Of the members first appointed, the terms of members appointed by the President of the Senate, Speaker of the House, and the Governor are for four years. The terms of the other appointees are two years. Thereafter, all members serve four-year terms. Terms began on July 1, 1998. The member appointed by the Governor serves as chair of the Commission. All official actions require a majority vote of the Commission.

The Commission studied the compensation, expense allowances, and reimbursement of members of the Legislature. The Commission meets in even-numbered years and

submits the report of its recommendations to the Legislative Coordinating Council (LCC) and Governor by no later than December 1 of that year. If implementation of the Commission's recommendations requires legislation, a bill containing the recommendations is introduced at the commencement of the next legislative session. The statutes state that in order for this bill to become effective, it must be enacted by no later than February 1 of the odd-numbered year of introduction.

For the 1999 Interim, the LCC authorized the Legislative Compensation Commission to meet for two days and designated the Commission as a special committee.

COMMITTEE ACTIVITIES

The Commission held a one-day meeting on October 28, 1999. Chairman Smith advised the members that the LCC had authorized the Compensation Commission to meet in 1999 as a special committee, even though the enabling legislation contemplates that the Commission would meet only in even-numbered years.

* Proposed legislation not available at time of publication.

The Chairman briefly reviewed the activities of the Compensation Commission during the 1998 Interim and the Commission's recommendations to the 1999 Legislature.

Staff reviewed the activities of the 1999 Legislature regarding the issue of legislative compensation and also reviewed a table which compares the compensation bills which were considered during the 1999 Session. Staff noted that the Senate Committee on Federal and State Affairs considered four Senate bills during the 1999 Session: SB 55, which is the bill recommended by the Compensation Commission; SB 101 by Senator Vidricksen; SB 174 by Senator Oleen; and Sub. SB 55, which was developed and reported favorably by the Senate Committee on Federal and State Affairs. Staff noted that most of the legislative debate on this issue occurred in the Senate Committee on Federal and State Affairs, although there was some discussion on the issue in the House Committee on Federal and State Affairs and the House Appropriations Committee. Compensation bills introduced in the House of Representatives included HB 2339 and HB 2566, which were identical to Sub. SB 55; HB 2567 which would have provided for in-district compensation for members to work in their districts; and a House Appropriations Committee proviso added to an appropriation bill which would have provided for in-district compensation for members and mileage to Topeka. Staff also discussed the fiscal notes associated with the various proposals.

Staff noted that Sub. SB 55 was reported favorably by the Senate Committee on Federal and State Affairs, spent a number of weeks on Senate General Orders, and was then re-referred to the Senate Committee, where it is still alive. None of the compensation bills were enacted.

Staff also reviewed the following materials: a more detailed summary of the provisions of Sub. SB 55, which was the legislative proposal reported favorably by the Senate Committee; a report which indicates the level of legislative compensation for FY 2000 and

a history of legislative pay levels in Kansas since statehood; and an article contained in the Council of State Governments publication *Stateline Midwest* (October 1999) entitled "The legislative pay-raise debate: who won this year"?

Commission members discussed a number of policy issues relative to the legislative compensation, including a policy change which would allow members to be paid mileage for trips over 50 miles in their districts, and vouchered through Legislative Administrative Services; a policy change to move to an annual salary and expenses for legislators, with cost-of-living adjustments and step-movement provisions, but leaving the interim allowance at the current level; a change to increase the interim allowance and some provision to allow for geographical differences; a proposal to modify last year's recommendation and set the annual salary at \$10,000 and the interim allowance at \$180 (for 20 pay periods), in order to put the fiscal note under \$1.0 million; and the concern whether any changes could be enacted in an election year already experiencing significant budget constraints.

One Commission member explained that he had no problem with the mechanics of the current law, but said that the Commission must be aware that legislators are uncomfortable with approving for themselves any pay raises. He noted that in 1996, Missouri divested elected officials from any power to set their own salaries through the creation of the Missouri Citizens' Commission on Compensation for Elected Officials. It was noted that the Kansas Constitution is broad enough to allow the Kansas Legislature to adopt such a commission, should it choose to do so. The Chairman noted that the Kansas Compensation Commission could make a recommendation to the Legislature to establish a Commission with authority similar to that found in the Missouri law.

Another member stated that he would prefer legislation which provides that the recommendations would take effect automati-

cally unless a veto vote was taken by the Legislature by February 1. It was noted that such a procedure would be similar to the existing procedure for the approval of Executive Reorganization Orders, which automatically go into effect unless disapproved by the Legislature. A member stated that last year's Commission did a good study and made reasonable recommendations, but these efforts were largely ignored by the Legislature. The Chairman stated that this recommendation for automatic approval could provide a test—the results of which could be helpful to the Commission in future years.

The Commission agreed to propose legislation to provide that the recommendation of the Compensation Commission would automatically take effect unless rejected by the Legislature. The Chairman noted that the proposed bill effectively would give the Commission the power to set legislative salaries. However, the legislation would include a deadline to permit the Legislature to act to reject the Commission's recommen-

dations, possibly February 1. The Chairman called for a vote on the motion; the vote was unanimous.

CONCLUSIONS AND RECOMMENDATIONS

The Legislative Compensation Commission recommends unanimously that legislation be enacted by the 2000 Legislature to provide that the recommendations of the Compensation Commission regarding legislative compensation automatically take effect unless rejected by either chamber by February 1.

The Compensation Commission also affirmed that its recommendations to the 1999 Legislature regarding legislative compensation are still in effect. The recommendation of the Compensation Commission assumes a broad definition of the term "compensation," including annual pay, retirement benefits, and vouchered mileage reimbursements.

STATE OF KANSAS



DIVISION OF THE BUDGET

Room 152-E

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Bill Graves
Governor

Duane A. Goossen
Director

January 13, 2000

The Honorable David Adkins, Chairperson
House Committee on Appropriations
Statehouse, Room 514-S
Topeka, Kansas 66612

Dear Representative Adkins:

SUBJECT: Fiscal Note for HB 2606 by Legislative Compensation Commission
Advisory Committee

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2606 is respectfully submitted to your committee.

The Legislative Compensation Commission meets during even-numbered years to make recommendations on legislators' compensation. The Commission submits a report to the Legislative Coordinating Council and the Governor by December 1 of that year. Currently, the Commission's recommendations have to be adopted by the Legislature through passage of a bill. Under HB 2606, the Commission would have the authority to establish the rates of legislative compensation. Those rates would automatically take effect and have the force of law the following fiscal year, unless either chamber of the Legislature passed a resolution by February 1 rejecting the new rates.

The passage of HB 2606 would not have a direct effect on state revenues or expenditures. However, its passage could have fiscal implications depending on the future recommendations of the Legislative Compensation Commission and action of the Legislature. If the original recommendations of the Commission had been adopted last year, the state could have expected

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The Honorable Phill Kline, Chairperson
January 13, 2000
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expenditures for legislators' compensation to increase an estimated \$700,000 to \$800,000 from the State General Fund in FY 2002, based on the fiscal note for 1999 SB 55.

Sincerely,



Duane A. Goossen
Director of the Budget

cc: Ben Barrett, KLRD

House Fed. &
State Affairs

Date 2/17/00

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FY 2000
KANSAS LEGISLATORS COMPENSATION AND EXPENSES—ANNUALIZED

	Compensation		Expenses	
Legislative Session	\$74.58 X 90 days =	\$ 6,712	\$85 X 90 days =	\$ 7,650
Interim	\$74.58 X 12 days =	<u>895</u>	\$85 X 12 days =	1,020
		<u>\$ 7,607</u>	\$270 X 20 weeks (Apr.-Dec.) =	<u>5,400</u>
				<u>14,070</u>
			Mileage	
			31 cents per mile during session and interim	

Additional Annual Compensation				
Speaker and President	\$	11,808		
Majority Leaders		10,654		
Minority Leaders		10,654		
Ways and Means/Appropriations Chairmen		9,496		
Speaker Pro Tem, Vice-President, Assistant Majority and Minority Leaders		6,027		
		(Plus \$74.58 per day for days devoted to legislative business when Legisla- ture not in session.)	(Plus \$85 per day for days devoted to legis- lative business when Legislature not in ses- sion.)	

Notes:

- (1) Number of session days and interim days are assumed for purposes of this table. In fact, they vary some from year to year. Some legislators, particularly senators, serve on more than one interim committee and some nonleader legislators also may be paid compensation and expenses for official business in Topeka when the Legislature is not in session (aside from interim committee attendance).
- (2) Does not include compensation and expenses for out-of-state meetings, such as those sponsored by the NCSL, CSG, and ALEC.
- (3) Does not include \$85 expense allowance for one day going to and one day returning from an in-state meeting (may be claimed only by legislators who live over 100 miles from the place of the meeting).
- (4) Legislators are covered by workers compensation and may participate in the state retirement, group health insurance, and deferred compensation programs.

Kansas Legislative Research Department
February 15, 2000

February 15, 2000

To: House Committee on Federal and State Affairs
From: Russell Mills, Principal Analyst
Re: Missouri Citizens' Commission on Compensation for Elected Officials

The **Missouri Citizens' Commission on Compensation for Elected Officials** is authorized by Article 13, Section 3 of the *Missouri Constitution*, which was adopted on November 8, 1994. The mission statement for the Commission provides that the body ". . . ensures that the power to control the rate of compensation of elected officials is retained and exercised by the tax paying citizens of the state. No elected state official, General Assembly member, or judge, except municipal judges, shall receive compensation for the performance of their duties other than in the amount established for each office by the Commission." The term "compensation" includes salary, mileage allowances, and per diem expense allowances. The Commission has the power to set the compensation of elected state officials, General Assembly members, and judges.

Membership. The Compensation Commission is composed of 22 members appointed to four-year terms; no reappointment is allowed. Of the 22 members, 12 are appointed by the Governor, others are appointed by the Secretary of State and the Supreme Court. Special membership requirements provide that members must represent specific constituencies: personnel management, organized labor, small business, large business, health care, agriculture, senior citizens, third-class cities, each congressional district, and the judiciary. No state official, no legislator, no active judge, no state employee, no local employee, and no lobbyist may serve as members of the Commission. Not more than 11 members may be of the same political party.

Meetings. The Commission is required to meet at least four times per year. The Commission meets in Jefferson City and also holds public hearings at various locations across the state. The Commission also works through three subcommittees: State Elected Officials, General Assembly, and Judicial.

Schedule of Compensation. Beginning in 1996, and every two years thereafter, the Commission is to review and study the relationship of compensation to the duties of elected officials, General Assembly members, and judges, and fix the compensation for each respective position. The Commission must file its schedule of compensation with the Secretary of State and the Revisor of Statutes by December 1 of even-numbered years. The schedule of compensation shall become effective unless disapproved by concurrent resolution adopted by the General Assembly before February 1 of the year following the filing of the schedule. In addition, the constitutional provision allows the General Assembly to provide by appropriation for periodic uniform cost-of-living increases or decreases for all employees of the state of Missouri, which increases or decreases may also be extended to those positions covered by the schedule of compensation.

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1997-98 COMPENSATION AND BENEFITS FOR STATE LEGISLATORS



NATIONAL CONFERENCE OF STATE LEGISLATURES
LEGISLATIVE MANAGEMENT PROGRAM

1560 BROADWAY, SUITE 700
DENVER, CO 80202
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House Fed. &
State Affairs

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Table 1: 1998 State Legislator Compensation and Living Expense Allowances During Session

<i>State</i>	<i>Salary</i>	<i>Per Diem (Allowance for Daily Expenses)</i>
Alabama	\$10/day (C)	\$2,280/month plus \$50 three times per week for cmte. meetings attended (U). One round trip per session at state employee mileage rate. Out-of-state travel actual expenses.
Alaska	\$24,012/year	\$161/day (U).
Arizona	\$15,000/year	\$35/day for the 1st 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 1st 120 days of reg. session and an additional \$10/day thereafter (V).
Arkansas	\$12,500/year	\$91/day for members residing more than 50 miles from the capitol (V).
California	\$78,624/year	\$119/day Sunday through Saturday.
Colorado	\$17,500/year	\$45/day for members living in the Denver metro area; \$99/day for members living outside metro area (V).
Connecticut	\$16,760/year	No per diem is paid.
Delaware	\$28,325/year	No per diem is paid.
Florida	\$25,668/year	\$100/day; not to exceed \$3,088.50 for the house; not to exceed \$4,035.45 for the senate for regular session (V).
Georgia ¹	\$11,347.80/year	\$75/day (U). \$2,200 per diem differential account with max of 50 days.
Hawaii	\$32,000/year	\$80/day for members living outside Oahu; \$10/day for members living on Oahu (V).
Idaho	\$12,360/year	\$75/day for members establishing second residence in Boise; \$40/day if no second residence is established (U).
Illinois	\$48,403/year	\$85/day (U).
Indiana	\$11,600/year	\$117/day (U) by statute. Paid seven days a week from January to end of session.
Iowa	\$20,120/year	\$86/day (U). \$65/day for Polk County legislators (U).
Kansas	\$69.29/day (C)	\$80/day (U).
Kentucky	\$105.58/day (C)	\$88/day (U).
Louisiana	\$16,800/year	\$101/day (U).
Maine ²	\$10,500/year for first regular session; \$7,500/year for second regular session.	\$38/day housing for session days and other "authorized" meeting days. \$32/day meals (V).
Maryland	\$29,700/year	Lodging \$96/day; meals \$30/day (V).
Massachusetts	\$46,410/year	From \$5/day-\$50/day, depending on distance from State House (V).
Michigan	\$53,192/year	\$8,925 yearly expense allowance for session and interim (U).
Minnesota	\$29,657/year	\$56/day (U).
Mississippi	\$10,000/year	\$99/day (U).
Missouri	\$2,298.35/month	\$65.60/day (U).
Montana	\$58,496/day (L)	\$70/day (U).
Nebraska	\$12,000/year	\$83/day outside 50-mile radius from Capitol; \$30/day if member resides within 50 miles of Capitol (V).
Nevada	\$130/day maximum of 60 days of session	Federal rate for Capitol area (V).
New Hampshire	\$200/two-year term	No per diem is paid.

¹ GA \$2,200 per diem differential account. A maximum of fifty (50) days can be claimed. Georgia state law states the maximum per diem plus per diem differential is \$119/day. The per diem differential account is made up of the difference between the maximum allowance less the actual per diem paid x 50 days.

² ME Legislators who "commute" daily are eligible to be reimbursed for their mileage at the standard state rate of 23¢/mile up to \$38/day. This is termed "mileage in lieu of lodging."

Table 1: 1998 State Legislator Compensation and Living Expense Allowances During Session

<i>State</i>	<i>Salary</i>	<i>Per Diem (Allowance for Daily Expenses)</i>
New Jersey	\$35,000/year	No per diem is paid.
New Mexico	None	\$125/day (U).
New York	\$57,500/year	\$89/day; \$130/day in New York City metro area (V).
North Carolina	\$13,951/year	\$104/day (U).
North Dakota	\$111/day (C)	\$650/month housing; one round trip per week at state employee mileage rate (V). \$250/month additional compensation.
Ohio	\$42,426.90/year	No per diem is paid.
Oklahoma	\$32,000/year	\$95/day (U).
Oregon	\$14,496/year	\$87/day (U).
Pennsylvania	\$58,341/year	\$80/day (V) tied to federal rate.
Rhode Island	\$10,588/year	No per diem is paid.
South Carolina	\$10,400/year	\$85/day for meals and housing, for each statewide session day and cmte meeting. No voucher required for statewide session but members denote their attendance. Voucher required for non statewide session days. For a non session day a member also receives \$35/day. Members receive \$1,000/mo, it is treated as income not an approved expense plan.
South Dakota	\$8,000/two-yr term (\$4,267 in odd yr; \$3,733 in even yr)	\$75/legislative day (U).
Tennessee	\$16,500/year	\$129/day (U). Floor session roll call is submitted by the chief clerk and committee roll call is submitted by the chair.
Texas	\$7,200/year	\$95/day (U).
Utah	\$100/day (C)	\$35/day (U), and transportation costs between home and capitol or lodging allowance.
Vermont	\$510/week during session	\$50/day for lodging and \$37/day for meals for non-commuters; commuters receive \$32/day for meals (U).
Virginia	\$18,000/year Senate \$17,640/year House	\$102/day (U).
Washington	\$28,300/year	\$80/day (U).
West Virginia	\$15,000/year	\$85/day, except \$45/day for commuters (U).
Wisconsin	\$39,211/year	\$75/day maximum (U)
Wyoming	\$125/day (C)	\$80/day (U).
District of Columbia	\$80,605/year	No per diem is paid.
Guam	\$55,307.20	No per diem is paid.
Puerto Rico	\$40,000	\$93/day with 50 km of capitol; \$103/day if outside the 50 km (U).
Virgin Islands	\$65,000	\$35/day (U).

L = Legislative day
 C = Calendar day
 (V) Vouchered
 (U) Unvouchered

Table 2: 1998 State Legislator Living Expense Allowance During Interim

<i>State</i>	<i>Interim Per Diem (Living Expense Allowance)</i>
Alabama	\$2280/month plus \$50/day per diem.
Alaska	\$65/day (V). Must work at least 4 hours or attend public meeting.
Arizona	\$35/day with prior approval of presiding officer (V).
Arkansas	\$91/day for House and Senate members residing more than 50 miles from the capitol (V). members are required to sign a "Per Diem Sheet" at each interim meeting/function.
California	\$119/day; expenses over \$119/day with receipt.
Colorado	\$99/day if leadership or member of an interim committee for actual attendance at cmte mtg plus all actual and necessary travel and subsistence expenses (V).
Connecticut	No per diem is paid.
Delaware	No per diem is paid.
Florida	\$50/day per diem or actual hotel plus \$3 breakfast, \$6 lunch, \$12 dinner for authorized travel during Committee weeks (V).
Georgia ¹	\$75/day and 25¢/mi. for committee service (V). A committee roster is submitted with the members who attended the meeting. Those that did not attend do not get paid.
Hawaii	\$10/day for official business on island of legal residence; \$80/day for business on another island (V).
Idaho	Each member of the Legislature shall be paid a salary of \$50/day for each day engaged in officially authorized legislative business.
Illinois	No per diem paid during recess of session.
Indiana	\$117/day (V).
Iowa	\$86/day (U). Senate receives \$24/day in state and \$30/day out-of-state. House receives \$24/day in state and \$40/day out-of-state. Lodging is state rate and receipts are required. (V).
Kansas	\$80/day expenses for members attending interim committee as a member of that comm.tee (V). Also \$270 for 20 pay periods (\$5,400) considered taxable income. \$69.29/day salary.
Kentucky	\$1,002.97/month interim monthly expenses (U). Actual expenses up to a maximum for meals. Actual state government rate for lodging (V).
Louisiana	\$101/day (V). Member must sign per diem form cosigned by committee chair for in-state interim committee work.
Maine	Up to \$32/day for meals. Lodging requires receipts. (V).
Maryland	\$96/day lodging; \$30/day meals (V).
Massachusetts	\$5-\$50 for expenses depending on distance from capitol (V).
Michigan	No per diem is paid.
Minnesota	\$56/day per approval of committee chair or leadership (U).
Mississippi	\$1,500/during interim (U).
Missouri	No per diem is paid.
Montana	In state rates \$23/day for meals, receipt not required. \$36.40 lodging, receipt required (V). Claim form required.
Nebraska	No per diem is paid. Actual expenses are reimbursed.
Nevada	\$69/day for meeting attendance in-state (V).
New Hampshire	No per diem is paid.
New Jersey	No per diem is paid.
New Mexico	\$125/day November 1-April 30; \$164/day May 1-October 31 (V).
New York	\$89/day; \$130/day New York City metro area and out-of-state travel (V). Paid for official duties performed outside their elected district.
North Carolina	\$104/day (U). Committee meeting attendance, receipts are not required but must submit signed reimbursement form.

¹ GA \$2,200 per diem differential account. A maximum of fifty (50) days can be claimed. Georgia state law states the maximum per diem plus per diem differential is \$119/day. The per diem differential account is made up of the difference between the maximum allowance less the actual per diem paid x 50 days.

Table 2: 1998 State Legislator Living Expense Allowance During Interim

<i>State</i>	<i>Interim Per Diem (Living Expense Allowance)</i>
North Dakota	During interim committee meetings members receive \$62.50/day, \$20/day meals (U); \$39 plus tax/day lodging (V) plus round trip mileage reimbursement at state employee mileage rate. All members receive a \$250/month allowance for expenses.
Ohio	No per diem is paid.
Oklahoma	\$25/day (U).
Oregon	\$87/day committee and task force meetings (U).
Pennsylvania	Per diem is \$80 (V) tied to federal rate.
Rhode Island	No per diem is paid.
South Carolina	Member attending official meetings in- or out-of-state is eligible for \$85/day subsistence and \$35/day per diem (V).
South Dakota	\$75 per diem for each day of a committee meeting. Travel expenses are paid at state rate.
Tennessee	\$1290/day (U).
Texas	Senators receive \$95/day for legislative business in Travis County, not to exceed 10 days per month (U). Representatives receive \$95/day for legislative business, not to exceed 12 days per month. House Committee chairs are allowed 4 additional days per month to attend to committee business.
Utah	\$35/day (V), and transportation costs to and from the authorized legislative committee meeting. If certain conditions are met, lodging expenses may also be paid.
Vermont	Meals paid are at actual cost (V).
Virginia	\$100/day for committee meetings.
Washington	\$80/day (V); if traveling in a "high cost" region, receipts are required.
West Virginia	\$85/day, except \$45/day for commuters (U).
Wisconsin	Senate Out of session allowance: legislature meets 3 days or less \$75/month for district allowance (U).
Wyoming	\$80/day by statute, less under some circumstances in accordance with policy legislators voluntarily follow (e.g. \$20 if a meeting is in hometown) (V).
District of Columbia	No per diem is paid.
Guam	No per diem is paid.
Puerto Rico	\$93/day within 50 km of the capitol; \$103/day beyond the 50 km limit (U).
Virgin Islands	No per diem is paid.

(V) Vouchered
(U) Unvouchered

Note:

Although the definition of "per diem" is daily expense allowance, it also is used in some states to refer to an interim salary that is taxed and reported as income separate from the annual salary.

**Legislative Compensation
in the Midwest**

State	Annual Salary	Per Diem
Illinois	\$53,581*	\$89*
Indiana	\$11,600	\$112 ^b /\$25 ^c
Iowa	\$20,758*	\$86/\$65 in Polk Co.
Kansas	\$74.58/day* ^a	\$80 ^a plus \$5,400 exp. allowance
Michigan	\$55,054*	\$10,000/year max.*
Minnesota	\$31,140*	\$56 max.
Nebraska	\$12,000	\$83/\$30 if < 50 miles from capitol
North Dakota	\$111/cal. day ^b	\$75 interim max.* + \$650/month lodging
Ohio	\$42,427	none
South Dakota	\$6,000*	\$95*
Wisconsin	\$41,809*	\$75 max.

Notes: * Increase took effect in 1999

^a For session or interim meetings

^b During session

^c During interim

CSG Midwest, State Profiles, July 1999

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Revised December 2, 1999

LEGISLATIVE PAY IN KANSAS, 1861-2000

At the time of statehood, legislative compensation was fixed in the *State Constitution*. The original provisions which were in effect from 1861 to 1948, were:

1. Compensation -- \$3 per day for actual service at any regular or special session. Compensation could not exceed \$240 at the first session held under the *Constitution*, \$150 for each subsequent session, or \$90 for a special session.
2. Mileage -- \$.15 per mile.

The *Kansas Constitution* was amended in 1948 and the legislative compensation section was revised to provide:

1. Compensation -- \$5 per day for each day's service at any regular or special session. Compensation could not exceed \$300 for any regular session or \$150 for any special session.
2. Expenses -- an amount fixed by law, not to exceed \$7 per calendar day. This amount was fixed at \$7 per day in 1949 and remained at that rate until 1963.
3. Mileage -- \$.15 per mile.

These provisions applied from 1949 through 1962.

In 1962, the *Kansas Constitution* was again amended regarding legislative compensation. This time the specific compensation provisions were removed from the *Constitution*. The 1962 amendment stated: "The members of the legislature shall receive such compensation as may be provided by law." A 1974 amendment modified the language slightly. The present provision states: "The members of the legislature shall receive such compensation as may be provided by law or such compensation as is determined according to law." Since 1962, the legislative compensation package has been set out in law. Members receive legislative pay and allowances for regular or special sessions and for service on interim committees, state boards and commissions, etc. As shown on the following page, this package has been revised from time to time.

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Legislative Pay and Allowances 1963-2000

Year	Compensation (per cal. day)	Subsistence (per cal. day)	Interim Expense Allowance Per Month	Private Vehicle Mileage (cents per mile)
1963 ^(a)	\$ 10	\$ 15	\$ 50	07
1964	10	15	50	07
1965	10	15	50	07
1966	10	15	50	07
1967 ^(b)	10	25	100	09
1968	10	25	100	09
1969	10	25	100	09
1970	10	25	100	09
1971	10	25	100	09
1972	10	25	100	09
1973 ^(c)	10	35	200	10
1974	10	35	200	10
				FY Amt. - Fixed by Sec. of Admin.
1975	35	36	200	13
1976	35	44	200	13
1977	35	44	200	13
1978	35	44	200	13
1979	35	44	400	15
1980	35	44	400	17
1981 ^(d)	40	50	400	20
1982	42 ^(e)	50	400	22
1983	45 ^(e)	50	400	22
1984	47 ^(f)	50	400	22
1985 ^(g)	49 ^(e)	50 ^{(g)/63^(h)}	400	22/20.5 ^(j)
1986	52 ^(e)	63/65 ^(h)	600 ^(e)	20.5
1987	54 ^{(e)(i)}	65/66 ^(h)	600	20.5
1988	55 ^(f)	66/69 ^(h)	600	20.5/21/22.5 ^(j)
1989	57 ^(e)	69	600	22.5
1990	59 ^(e)	69	600	22.5/24/26 ^(j)
1991	60 ^(e)	69	600	26 ^(l)
1992	60 ^(e)	69/73 ^(h)	600	26 ^(l)
1993	61.50 ^(e)	73/74 ^(h)	600	26/28 ^{(j)(l)}
1994	62 ^(e)	74/73 ^{(h)(k)}	600	28 ^(l)
1995	63 ^(m)	73 ^{(h)(k)}	600	28/29 ^{(j)(l)}
1996	65 ^(e)	73/79 ^{(h)(k)}	600	29/30 ^{(j)(l)}
1997	65/66.63 ⁽ⁿ⁾	79/80 ^{(h)(k)}	600	30/31 ^{(j)(l)}
1998	69.29 ^{(e)(n)}	80 ^{(h)(k)}	600	31/32 ^{(j)(l)}
			Biweekly ^(o)	
1999	72.06 ^(e)	80 ^{(h)(k)}	270	32/31 ^{(j)(l)}
2000	74.58 ^{(e)(n)}	85 ^{(h)(k)}	270	31 ^{(j)(l)}

a) Compensation was limited to \$900 for any regular session and \$300 for any budget or special session. Subsistence allowance was limited to \$1,350 for any regular session and \$450 for any special or budget session. Interim expense allowance was provided April through December in odd-numbered years and February through December in even-numbered years. Mileage was paid for not more than six trips in regular session or three trips in a special or budget session. (Budget sessions, as provided in the *Constitution*, were held in the even-numbered years from 1956 through 1966 and were limited to 30 calendar days.)

allowances were provided April through December in each year. Mileage was paid for not more than one trip for each full week the Legislature was in regular or special session.

- c) Limitations on the number of days such compensation and subsistence allowance could be paid were eliminated.
- d) A 1979 law provided for the increases shown in 1981. After the 1981 regular session, the \$40 base was continued; however, the law provided that whenever the rates of compensation for classified employees are increased, the rate of compensation for members of the Legislature for service at any regular or special session will be increased commensurately with the average step increase in the civil service pay plan. A 1985 amendment increased the statutory base rate of compensation from \$40 to \$49; and a 1987 amendment increased the rate to \$54. These amendments merely updated the law to reflect the rates then in effect. A 1992 amendment increased the rate to \$61.50, effective for FY 1993; and a 1995 amendment increased the rate from \$63 to \$65, effective for FY 1996. 1996 House Sub. for S.B. 757, an appropriations bill which did not change the substantive law, provided for an additional amount of per diem compensation of \$1.63, commencing on February 27, 1997, for the balance of the fiscal year -- through June 30, 1997. Similarly, 1997 Senate Sub. for H.B. 2576 provided for an additional amount of per diem compensation of \$3.29 for FY 1998. 1998 S.B. 501 increased the statutory base rate of compensation from \$65 to \$72.06, effective for FY 1999. 1999 H.B. 2489 provided for an additional amount of per diem compensation so that the aggregate amount of compensation in FY 2000 would be \$74.58. Nonetheless, the basic policy of making annual adjustments based on average step increases in the civil service pay plan has not been altered.
- e) Effective at the beginning of the fiscal year.
- f) Effective at the beginning of the calendar year.
- g) A 1985 amendment provided that if the subsistence allowance allowable for the Kansas capital city (Topeka) under applicable federal law and regulations to employees of the executive branch of the federal government for per diem expenses is an amount greater than \$50, then the subsistence allowance for legislators for a regular or special session is increased to such amount. A 1987 amendment changed the minimum from \$50 to \$65; a 1992 amendment changed the minimum from \$65 to \$73; and a 1998 amendment changed the statutory minimum from \$73 to \$80.
- h) The federal subsistence allowance for Topeka (see (g) above) has been changed as follows: November 3, 1985, the increase was from \$50 to \$63; effective July 1, 1986, the increase was from \$63 to \$65; effective August 1, 1987, the increase was \$65 to \$66; effective October 9, 1988, the increase was \$66 to \$69; effective March 1, 1992, the increase was \$69 to \$73; effective March 12, 1993, the increase was \$73 to \$74; effective January 1, 1994, the decrease was \$74 to \$73; effective April 1, 1996, the increase was from \$73 to \$79; effective January 1, 1997, the increase was from \$79 to \$80; and effective January 1, 2000, the increase is from \$80 to \$85.
- i) A 1987 law provided for the reduction of compensation from \$54 per day to \$49.50 per day applicable only to the last six months of FY 1987.
- j) In 1985, the rate was 22 cents per mile until April 1 when it became 20.5 cents per mile. In 1988 the rate was 20.5 cents per mile until July 1 when it became 21 cents per mile; it became 22.5 cents per mile on October 1. The mileage rate remained at 22.5 cents per mile until March 1, 1990, when it increased to 24 cents per mile; it was increased to 26 cents per mile on December 1, 1990. On July 1, 1993, the mileage rate was changed to 28 cents per mile; on July 1, 1995, to 29 cents per mile; on July 1, 1996, to 30 cents per mile; on July 1, 1997, to 31 cents per mile; on July 1, 1998, to 32 cents per mile; and on April 1, 1999, to 31 cents per mile.
- k) Subject to change. Rate is linked to the amount allowable under federal law and regulations for federal executive branch employees while serving away from home and in Topeka (see (g) above).
- l) Subject to change by the Secretary of Administration.
- m) Effective October 1, 1994.
- n) 1996 House Sub. for S.B. 757, an appropriations bill which did not change the substantive law, provided for an additional amount of per diem compensation of \$1.63 (2.5 percent of the current per diem rate) commencing on February 27, 1997 through June 30, 1997; similarly, 1997 Senate Sub. for H.B. 2576 provided for an additional amount of per diem compensation of \$3.29 for FY 1998; and, for FY 2000, 1999 H.B. 2459 provided for an additional amount of per diem compensation equal to the amount required to provide, along with the amount of per diem compensation otherwise payable, an aggregate amount of compensation of \$74.58 per calendar day.
- o) Effective for FY 1999, the legislative allowance is charged to a biweekly amount of \$270. This amount is paid for 20 consecutive two week periods commencing with the first biweekly pay period in April. This represents

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no change in the sum of the allowance legislators receive. It remains at \$5,400 per year. The change brings these payments within the framework of the main state payroll procedure.

Legislation enacted in 1972 authorized annual additional allowances for certain legislative leaders for services performed in connection with their official duties. The first such compensation under this law was paid in 1973. Shown below is a history of this compensation.

	FY 1987														FY 1998 at 1.0% plus "added amts." ^h	FY 1999 at 4.0% over FY 1998 amts. ^h	FY 2000 at 3.5% over FY 1999 amts. ^h	
	CY 73-74	CY 79-85	FY 1986 ^a	at 3.0% ^b	FY 1988 at 2.0% ^c	FY 1989 at 4.0%	FY 1990 at 4.0% ^d	FY 1991 at 1.5%	FY 1992 at 0.0%	FY 1993 at 2.5% ^e	FY 1994 at 0.5%	FY 1995 at 1.5% ^f	FY 1996 at 3.5% ^e	FY 1997 at 2.5% ^g				
Senate																		
President	\$ 2,400	\$ 4,200	\$ 8,285	\$ 8,534	\$ 8,705	\$ 9,053	\$ 9,415	\$ 9,556	\$ 9,556	\$ 9,795	\$ 9,844	\$ 9,992	\$ 10,341	\$ 10,470.22	\$ 10,967.38	\$ 11,409.32	\$ 11,808.68	
Vice-President	1,800	1,800	4,228	4,355	4,442	4,620	4,805	4,877	4,877	4,999	5,024	5,099	5,278	5,344.04	5,598.28	5,823.22	6,027.06	
Majority Leader	1,800	3,240	7,474	7,698	7,852	8,166	8,493	8,620	8,620	8,836	8,880	9,013	9,329	9,445.61	9,894.16	10,293.14	10,653.50	
Minority Leader	1,800	3,240	7,474	7,698	7,852	8,166	8,493	8,620	8,620	8,836	8,880	9,013	9,329	9,445.61	9,894.16	10,293.14	10,653.50	
Asst. Majority Leader	None	None	4,228	4,355	4,442	4,620	4,805	4,877	4,877	4,999	5,024	5,099	5,278	5,344.04	5,598.28	5,823.22	6,027.06	
Asst. Minority Leader	None	None	4,228	4,355	4,442	4,620	4,805	4,877	4,877	4,999	5,024	5,099	5,278	5,344.04	5,598.28	5,823.22	6,027.06	
Ways & Means Chair	1,800	3,240	6,663	6,863	7,000	7,280	7,571	7,685	7,685	7,877	7,916	8,035	8,316	8,420.00	8,819.94	9,175.14	9,496.24	
House																		
Speaker	\$ 2,400	\$ 4,200	\$ 8,285	\$ 8,534	\$ 8,705	\$ 9,053	\$ 9,415	\$ 9,556	\$ 9,556	\$ 9,795	\$ 9,844	\$ 9,992	\$ 10,341	\$ 10,470.22	\$ 10,967.38	\$ 11,409.32	\$ 11,808.68	
Speaker Pro Tem	1,800	1,800	4,228	4,355	4,442	4,620	4,805	4,877	4,877	4,999	5,024	5,099	5,278	5,344.04	5,598.28	5,823.22	6,027.06	
Majority Leader	1,800	3,240	7,474	7,698	7,852	8,166	8,493	8,620	8,620	8,836	8,880	9,013	9,329	9,445.61	9,894.16	10,293.14	10,653.50	
Minority Leader	1,800	3,240	7,474	7,698	7,852	8,166	8,493	8,620	8,620	8,836	8,880	9,013	9,329	9,445.61	9,894.16	10,293.14	10,653.50	
Asst. Majority Leader	None	None	4,228	4,355	4,442	4,620	4,805	4,877	4,877	4,999	5,024	5,099	5,278	5,344.04	5,598.28	5,823.22	6,027.06	
Asst. Minority Leader	None	None	4,228	4,355	4,442	4,620	4,805	4,877	4,877	4,999	5,024	5,099	5,278	5,344.04	5,598.28	5,823.22	6,027.06	
Appropriations Chair	1,800	3,240	6,663	6,863	7,000	7,280	7,571	7,685	7,685	7,877	7,916	8,035	8,316	8,420.00	8,819.94	9,175.14	9,496.24	

- a) 1985 legislation set these rates, which became effective for FY 1986. The amounts selected were based upon salary increases granted to classified state employees, excluding merit increases, for the period FY 1975-1985. The 1985 legislation also provides that beginning in FY 1987 such amounts increase commensurately with the average step increase in the civil service pay plan.
 - b) These amounts were reduced by 3.8 percent, rounded to the nearest dollar, applicable only to the last five months of FY 1987.
 - c) Beginning January 1, 1988.
 - d) 1989 H.B. 2553 specified that the adjustment be 4.0 percent.
 - e) Rates set by statute and provide a new base for adjustments commensurate with step increases in the civil service pay plan. See (a) above.
 - f) Effective October 1, 1994.
 - g) The increase over FY 1996, which commences December 15, 1996, is for one-half of a fiscal year. The "additional amounts" terminate at the end of FY 1997 when this compensation reverts to the FY 1996 rate. This action was contained in 1996 House Sub. for S.B. 757, an appropriations bill, which did not change the substantive law.
 - h) FY 1998 includes "additional amounts" which are applicable only in that year. These amounts are \$523.38 for the President of the Senate and Speaker of the House; \$472.16 for the House and Senate Majority and Minority Leaders; \$267.28 for the Vice-President of the Senate, Speaker Pro Tem of the House, and Assistant Majority and Minority Leaders of both Houses; and \$420.94 for the Ways and Means and Appropriations Committee Chairs. These amounts are about 5.01 percent above the FY 1996 base, increased by 1.0 percent for the average step increases in the civil service pay plan.
- FY 2000 includes "additional amounts" which are applicable only to that year. These amounts are \$399.36 for the President of the Senate and Speaker of the House; \$360.36 for the House and Senate Majority and Minority Leaders; \$203.84 for the Vice President of the Senate, Speaker Pro Tem of the House, and Assistant Majority and Minority Leaders of both houses; and \$321.10 for the Ways and Means and Appropriations Committee Chairs. These amounts are 3.5 percent above the FY 1999 base. (1999 H.B. 2489, Sec. 54(k).)

In addition to the basic compensation and allowances described herein, members of the Legislature, when authorized by the Legislative Coordinating Council, receive compensation, subsistence allowances, and mileage for attending to legislative business other than attendance at a session. The leadership (listed above) receives compensation, subsistence, and mileage for time spent in their respective offices in Topeka. Compensation and expenses also are provided for certain of the preorganizational activities. Also, legislators may elect to join the Kansas Public Employees Retirement System (KPERs) as regular members (the special retirement program for elected state officials was closed by legislation passed in 1991), and may participate in the state health insurance plan.

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Note: The Kansas Constitution specifically authorizes members of the legislature to receive "compensation as may be provided by law or such compensation as is determined according to law." (Emphasis added. Kan. Const. Art. 2, sec. 3.) The language "as is determined according to law" was intended to permit the legislature to "create a compensation commission which would establish compensation subject to approval of, or veto by, the legislature." (Reports of Special Committees to the 1974 Kansas Legislature, p. 26-3.) The Kansas Constitution provides that state constitutional officers receive "compensation as is established by law" for that office. (Kan. Const. Art. 1, sec. 15.) Justices of the supreme court and judges of the district courts receive, under the Kansas Constitution, "compensation as may be provided by law..." (Kan. Const. Art. 3, sec. 13.) Other than members of the legislature, no state official is authorized by the Kansas Constitution to receive "compensation as is determined according to law."

Compensation
Commission
to be established
by the legislature
and
subject to
approval of the
legislature

Memorandum

TO: Legislative Compensation Commission Advisory Committee
FROM: Jim Wilson, First Assistant Revisor
DATE: January 7, 2000
SUBJECT: Recommendations for a Bill – Compensation of Members of the Legislature

The recommendations of the Commission to the Legislative Coordinating Council, as prepared in bill form and approved by the Chair, have been prefiled for formal introduction in the House of Representatives on Monday, January 10, 2000. The bill has been designated as House Bill No. 2606. It would enact the following major policies:

The bill would provide for remuneration for members of the Legislature to be established by the Commission. [See Sec. 3(d), pages 5 and 6 of the draft bill]

The kinds of “remuneration” to be studied and established by the Commission for members of the Legislature would be amended to clearly include retirement benefits in addition to the currently specified “compensation and expense allowances and reimbursements.” [See Sec. 3(d), at the top of page 6]

The report of the Commission establishing the rates of remuneration would be submitted to the Legislative Coordinating Council and the Governor on or before December 1 of each even-numbered year. The rates of remuneration so established would take effect on the ensuing July 1 unless the Senate or the House of Representatives acted prior to February 2 after the report is submitted to adopt a Resolution rejecting the rates of remuneration established in the report. If the rates of remuneration are rejected, then the current rates of remuneration would continue in effect as previously provided by or determined according to law. [See Sec. 3(d), page 6]

The remaining provisions of the bill make conforming amendments to existing statutes to effectuate these policies. Additional technical amendments are made to conform to current drafting language or style or to otherwise cleanup current statutory provisions in accord with current practice.

SECTION-BY-SECTION DESCRIPTION

Section 1. K.S.A. 1999 Supp. 46-137a – This is the basic section prescribing the rates of per diem compensation, per diem subsistence allowance, allowance to defray between-session expenses and mileage allowance for legislators. The amendments provide for different rates to be established by the Commission.

- Section 2 K.S.A. 1999 Supp. 46-137b – This statute provides an additional allowance for the President and the Speaker [subsection (1)], the Speaker Pro Tempore, Vice-President, Assistant Majority Leaders and Assistant Minority Leaders [subsection (2)], the Chairpersons of the committees on Ways and Means and Appropriations [subsection (3)], and the Majority Leaders [subsection (4)]. The amendments provide for different rates of allowance to be established by the Commission.
- Section 3 K.S.A. 1999 Supp. 46-3101 – Contains the major policy changes described above.
- Section 4 K.S.A. 74-4995 – This is one of the retirement statutes relating to members of the Legislature under the Kansas Public Employees Retirement System. It is the section providing elections for legislators as to the rate of compensation for purposes of the Retirement System, that what compensation or allowances are to be included.
- The amendments are designed to provide for retirement benefits under the Retirement System to be subject to being established by the Commission in accordance with this act. The provisions of this section may need to be refined or augmented by further amendments to Retirement System statutes as a result of further study and discussion of these provisions by the Legislature in considering this bill.
- Section 5 K.S.A. 75-3212 – This is the statute prescribing rates of per diem compensation and travel expense allowances for state officials who are members of certain committees, councils, boards and commissions, with special provisions for such members who are legislators.
- The amendments provide for different rates of compensation or allowance to be established by the Commission. The final sentence is deleted because the statute referred to was repealed in 1988 and it has no current effect.
- Section 6 K.S.A. 75-3223 – This statute also prescribes rates of per diem compensation and travel expense allowances for members of certain boards, as defined by this section, with special provisions for such members who are legislators.
- The amendments provide for different rates of compensation or allowance to be established by the Commission.
- Section 7 Repealer
- Section 8 Effective date upon publication in the statute book, which would be July 1, 2000.