

May 2004

## LEGISLATIVE COMPENSATION INCREASES COMPARED TO INFLATION AND STATE EMPLOYEE SALARY INCREASES - 1981 THROUGH 2002

This memorandum compares actual legislative compensation rates and legislative compensation rates adjusted for inflation and state employee salary increases for the period 1981 through 2004.

### LEGISLATIVE COMPENSATION RATES

North Dakota Century Code (NDCC) Section 54-03-20 provides that each member of the Legislative Assembly is entitled to receive compensation of \$125 per calendar day during each regular, special, or organizational session. In addition, each legislator is entitled to receive monthly compensation of \$250 during each legislator's term of office. Section 54-35-10 provides that legislators are also entitled to receive compensation of \$100 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 \$62.50 per day. Legislative session compensation was constitutionally limited to \$5 per calendar day, and the level of expense reimbursement during legislative sessions was set by statute at \$85 per calendar day for a total of \$90 per day.

The constitutional provision limiting legislative compensation was repealed on June 8, 1982, by voter approval of measure No. 4, which created Section 26 of Article XI of the Constitution of North Dakota, and provides that:

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

After the adoption of the 1982 constitutional amendment, the subsequent Legislative Assembly (1983) amended NDCC Section 54-03-20 to set the levels of legislative session compensation and expense reimbursement at \$40 per day and \$50 per day, respectively. As an exception to the compensation and expense reimbursement rates provided to other

legislators, legislators from Bismarck received \$90 per day as compensation and no expense reimbursement. Consequently, the total of legislative session expense reimbursement and compensation for all legislators remained unchanged at \$90 per day.

The 1985 Legislative Assembly amended NDCC Section 54-03-20 to provide that legislators receive compensation of \$90 per calendar day during the legislative session plus reimbursement for lodging up to \$600 per month. Section 54-03-20 was also amended to provide that the \$180 per month payment to legislators during their terms of office was compensation rather than reimbursement for expenses.

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

- 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 compensation may be paid monthly, rather than every six months, at the option of each legislator.
- Increased the maximum reimbursement for lodging during legislative sessions from \$600 to \$650 per month.

The 1999 Legislative Assembly increased the level of compensation for attending interim Legislative Council committee meetings from \$62.50 to \$75 per day.

The 2001 Legislative Assembly increased session compensation from \$111 to \$125 per day and increased compensation for attending interim committee meetings from \$75 to \$100 per day.

The 2003 Legislative Assembly did not make any legislative compensation and expense reimbursement changes; however, the Legislative Assembly considered increasing the maximum lodging expense reimbursement allowed during legislative sessions from \$650 per month to 50 percent of the daily federal per diem lodging rate for the City of Bismarck for 30 days. The increased reimbursement for lodging during any month of a regular session was not to exceed \$100 over the maximum allowed for lodging per month during the last regular session. During the 2003 legislative session, 50 percent of the daily federal per diem lodging rate for North Dakota of \$55 for 30 days would have totaled \$825. Due to the provision that the

increased reimbursement for lodging was not to exceed \$100 over the maximum allowed during the last regular session, the maximum lodging reimbursement allowed would have been \$750 per month.

The schedule attached as an appendix provides a comparison of actual legislative compensation rates

and legislative compensation rates adjusted for inflation and state employee salary increases for the period 1981 through 2004.

ATTACH:1