August 2012

LEGISLATIVE COMPENSATION INCREASES COMPARED TO INFLATION AND STATE EMPLOYEE SALARY INCREASES - 1981 THROUGH 2012

This memorandum compares actual legislative compensation rates and legislative compensation rates adjusted for inflation and state employee salary increases for the period 1981 through 2012.

LEGISLATIVE COMPENSATION RATES

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

	Rate Effective July 1, 2011	Rate Effective July 1, 2012	
Daily legislative session compensation	\$152	\$157	
Monthly compensation	\$427	\$440	

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

	Rate Effective July 1, 2011	Rate Effective July 1, 2012
Interim meeting daily compensation	\$152	\$157

CHANGES IN LEGISLATIVE COMPENSATION SINCE 1981

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

¹Legislative 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 legislative, executive, and judicial branches are coequal branches of government. Elected members and officials of each branch shall receive as compensation for their services only such amounts as may be specifically set by law. Payment for necessary expenses shall not exceed those allowed for other state employees.

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

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

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

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

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

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

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

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

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

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

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

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

¹⁰The Legislative Assembly in 2011 Senate Bill No. 2015 increased the maximum lodging expenses reimbursement allowed during legislative sessions from \$1,040 per month to 30 times 65 percent of the state daily lodging expense reimbursement rate. This increase was effective August 1, 2011. Based on the current estimated state daily lodging reimbursement rate of \$69.30 per night, the maximum monthly lodging expense reimbursement is estimated to be \$1,351 per month for the 2013 legislative session.

The schedule attached as an <u>appendix</u> 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 2012.

ATTACH:1