

MINUTES
Approved by the Committee
Citizens' Committee on Legislative Compensation
Tuesday, May 06, 2014
10:30 A.M.
Capitol Building, Room C110
Boise, Idaho

In attendance were committee members Debora Kristensen, William "Bud" Yost, Reed Larsen, Bill Daniels and Eva Gay Yost. Committee member Don Burtenshaw was absent and excused. Also in attendance were Brooke Brouman, Robyn Lockett and Jeff Youtz, Legislative Services Office, and Terri Franks-Smith, Chief Financial Officer for the House of Representatives.

Debora Kristensen opened the meeting at 10:30 a.m. The committee members introduced themselves. **Ms. Kristensen** explained that **Don Burtenshaw's** son is running for the Legislature and, out of an abundance of caution, he thought it appropriate to not participate in the meeting.

Reed Larsen made a motion to reelect Debora Kristensen as chairperson. The motion was seconded by Eva Gay Yost. By voice vote, the motion passed with one abstention (Ms. Kristensen).

Chairwoman Kristensen asked whether the committee members had an opportunity to review the meeting minutes dated June 25, 2012. The members responded in the affirmative. **Bill Daniels** moved to approve the minutes. The motion was seconded by **Mr. Larsen** and was unanimously approved by voice vote.

Chairwoman Kristensen suggested using the committee's previous report dated June 28, 2012 ("2012 committee report"), as a guide for the committee's discussion.

Chairwoman Kristensen noted that the salaries for state elected officers were increased over the next four years, commencing on January 1, 2015. **Brooke Brouman** explained that the four-year elected officials will receive a 1.5% salary increase each year for the next four years; totaling a 6% increase. **Ms. Brouman** stated that the Attorney General and the Lieutenant Governor received larger, fixed salary increases. **Chairwoman Kristensen** inquired as to the reasoning. **Jeff Youtz** responded that the Lieutenant Governor's increase was based on the established philosophy that the position has become full-time and is no longer a part-time position. **Mr. Youtz** stated that the Legislature compared the salary of Idaho's Attorney General to that of other Attorneys General and found that Idaho was quite far behind. **Mr. Youtz** further explained that state employees received a 1% permanent ongoing increase and a 1% one-time increase, both of which are based on merit.

Chairwoman Kristensen reminded the committee that it recommended a 2% increase for the 2013-2014 period, did not recommend an increase for the 2011-2012 period, and for the 2009-2010 period, the committee recommended a 5% increase that was rejected by the Legislature. **Chairwoman Kristensen** stated that, in essence, prior to the 2013-2014 increase, legislator salary had remained at \$16,116 per year since 2007. She noted that the current annual base salary is \$16,438. Tracking Section I. of the 2012 committee report, she asked that each committee member discuss their thoughts about the base salary.

Eva Gay Yost inquired as to what legislators thought about the base salary. **Ms. Yost** asked **Terri Franks-Smith** this question. **Ms. Franks-Smith** replied that nothing had been said to her. **Chairwoman Kristensen** reminded the committee that at the meeting in 2012, Pro Tempore Brent Hill expressed that he was not concerned about the base salary amount.

Ms. Yost noted that from 2009 to 2010, the unvouchered constituent service allowance was \$2,500, and then it was reduced to the current \$1,875 in 2011. **Ms. Yost** inquired as to the reason for the reduction and wondered if this is something the committee could look at. **Mr. Youtz** stated that the

reduction can be explained in light of the economic context in that it took place during the recession. He opined that legislators are underpaid and that the current context for an increase is better.

Bill Daniels recalled that during the 2012 meeting, the focus was on the length of time since legislators were given a salary increase. He stated that looking at salary now, it is appropriate to consider doing more. **Bud Yost** stated that he agrees that an increase is appropriate.

Mr. Larsen stated that a 1.5% salary increase comes out to be \$246 per year, which he opined is a reasonable and fiscally conservative approach. He stated that for the unvouchered expense, a compromise could be to return the constituent allowance to \$2,250.

Mr. Larsen moved that the committee recommend a 1.5% salary increase for FY15 and FY16. Mr. Daniels asked if the motion was to give a 1.5% increase in each year. **Mr. Larsen** replied in the affirmative. **Chairwoman Kristensen** stated that the committee can make one recommendation that establishes the salary for the entire two-year period. **Mr. Larsen moved that the committee recommend a 1.5% salary increase. Mr. Daniels seconded the motion.** Chairwoman Kristensen stated that the 1.5% reflects an improved economy and recognition of good legislator work. **By voice vote, the motion passed unanimously.**

The committee unanimously agreed to keep the recommendation found in Section I.2. of the 2012 committee report that relates to temporary replacements.

Chairwoman Kristensen discussed Section I.3. of the 2012 committee report that establishes an additional salary of \$4,000 per year for the President Pro Tempore and the Speaker, in recognition of their increased duties and activities. **Mr. Yost** noted that this additional salary was initially established in 1991 at \$3,000 per year and was increased in 2007 to the current \$4,000 per year. **Mr. Larsen** reminded the committee that the message they received in 2012 was that an increase to this additional salary is not worth the political heat. **Chairwoman Kristensen** agreed and suggested that the committee keep the additional salary amount at \$4,000 per year unless there is a strong opinion otherwise.

Mr. Larsen moved that the committee recommend maintaining the current additional salary of \$4,000 per year for the President Pro Tempore and the Speaker. Ms. Yost seconded the motion. By voice vote, the motion passed unanimously without objection.

Chairwoman Kristensen discussed the unvouchered expense allowances found in Section II.1. of the 2012 committee report. She reminded the committee that in 2012, the committee revised the language relating to primary and secondary residence requirements. She had not heard any feedback regarding the revised language. **Chairwoman Kristensen** asked **Ms. Brouman** for the current federal per diem amount. **Ms. Brouman** responded that the federal per diem rate is currently \$129 per day. **Chairwoman Kristensen** stated that the committee tends to track the federal amount, which she opined is appropriate. **Ms. Yost** asked when the federal amount changed. **Ms. Brouman** responded that she believes the amount is subject to change every fiscal year. She reminded the committee that in 2012 the federal per diem rate was \$123 per day. **Ms. Brouman** confirmed that Boise is currently covered by the standard CONUS per diem rate of \$129.

Mr. Larsen moved to adjust the rate in Section II.1. to \$129 per day for each day of regular session. Mr. Yost seconded the motion. By voice vote, the motion passed unanimously without objection.

Chairwoman Kristensen discussed Section II.2., relating to unvouchered expense allowances for members who do not maintain a second residence within 50 miles of the Statehouse during a regular session. **Mr. Larsen** asked whether there was any problem with the \$49 rate in Section II.2. **Ms. Yost** stated that it had been expressed to her that some people think they should be paid the same amount as legislators who live out of town. **Mr. Larsen** asked if this is true even if they sleep in their own houses. **Ms. Yost** replied in the affirmative and clarified that she did not agree. All other committee members vocalized their disagreement as well.

Mr. Daniels moved that Section II.2. be kept the same at \$49 per day. Mr. Larsen seconded the motion. By voice vote, the motion passed unanimously without objection.

Chairwoman Kristensen discussed the lump sum unvouchered constituent service allowance. She reiterated that it was set at \$2,500 from 2009 to 2010. She noted that for reasons likely related to the economy and budget constraints, it was decreased to the current amount of \$1,875 in 2011. She asked the committee whether it is appropriate to adjust the current amount.

Mr. Larsen moved that the committee increase the unvouchered constituent service allowance to \$2,250. Mr. Daniels seconded the motion. The motion was amended to clarify that the \$2,250 amount shall also apply to the prorated amount if a vacancy occurs in the office. By voice vote, the amended motion passed unanimously without objection.

Chairwoman Kristensen discussed each subsection of Section III. of the 2012 committee report relating to the vouchered expense allowances. **Mr. Larsen moved that the committee keep the language of Section III. relating to vouchered expense allowances as written. Ms. Yost seconded the motion. By voice vote, the motion passed unanimously without objection.**

Chairwoman Kristensen discussed Section IV. of the 2012 committee report relating to the requirements for payment. **The committee, by verbal assent, agreed to make no changes to Section IV.**

Chairwoman Kristensen reviewed the Committee's final item for consideration; additional benefits, including retirement, medical, dental and life insurance provisions. **The committee, by verbal assent, agreed to make no changes to Section V.**

Chairwoman Kristensen asked what the new salary figure is given the committee's approved 1.5% increase in the base salary. **Mr. Larsen** responded "\$246." **Ms. Brouman** stated that the total would then be \$16,684, and **Mr. Larsen** confirmed this amount.

Chairwoman Kristensen asked **Ms. Brouman** to prepare the report for the committee's review and approval prior to submission to the Secretary of State and State Controller's Office.

Ms. Franks-Smith described a situation that occurred during the 2014 legislative session relating to the appropriate per diem rate for legislative substitutes. Specifically, a legislator from Midvale, who maintained a second residence in Ada County during session, appointed a substitute for three days. The substitute's primary residence was in Payette. For three days, the substitute drove back and forth between Payette and Boise. **Ms. Franks-Smith** noted that it is unusual for a member to do one thing (maintain a second residence in Ada County), while the member's substitute does something else (driving back and forth). She stated that it was unclear which per diem rate the substitute should receive. She noted that the substitute was ultimately paid the lower per diem rate.

Chairwoman Kristensen stated that the per diem rate is specific to the individual's circumstance. She agreed that in the situation described by **Ms. Franks-Smith**, the lower per diem rate was appropriate.

The meeting adjourned at 11:40 a.m.