

MINUTES
Approved by the Committee
Citizens' Committee on Legislative Compensation
Tuesday, October 27, 2020
9:00 A.M.
Room EW42
Boise, Idaho

Ms. Ford called the meeting to order at 9:20 a.m.; a silent roll call was taken. In attendance were committee members Eva Gay Yost, John Goedde, Reed Larsen, Dennis Johnson, and Bruce Newcomb.

Others in attendance included: Speaker Scott Bedke and Senator Chuck Winder – Idaho State Legislature; Mary Sue Jones – Idaho Senate staff; MaryLou Molitor and Terri Franks-Smith – Idaho House of Representatives staff; and Jim Haddock and Tom Haddock - self.

Legislative Services Office (LSO) staff present were Kristin Ford, Maggie Smith, and Ana Lara. Ms. Ford invited the committee members to put forward nominations for a member to serve as the committee chair. **Mr. Johnson nominated Mr. Larsen to serve as chair for the Citizens' Committee on Legislative Compensation. Ms. Yost seconded the motion. The motion passed by voice vote.**

Presentation by Speaker Scott Bedke

Chair Larsen called upon Speaker Bedke to present. Speaker Bedke stated his concern that the Idaho State Legislature did not have the ability to suspend per diem allowances in the event of an extended recess during the legislative session. He noted that many legislators do sign rental leases and commit to a three-month contract, but he believes that the Idaho State Legislature needs the flexibility to, upon the passage of a concurrent resolution, cease the per diem in the event of an extended recess. He noted that many states have the ability to call themselves in and out of session, but the Idaho State Legislature did not have the flexibility to do so and this option would provide them with some latitude.

Mr. Newcomb expressed support for providing the Legislature the flexibility requested especially given the pandemic concerns.

Mr. Larsen asked how the recess would be formulated. Speaker Bedke explained that the Idaho State Constitution provides the Legislature a three-day provision to call one legislative body back into session.

Senator Winder expressed support for Speaker Bedke's request for flexibility regarding the per diem. He also asked that the committee express in their letter that the Legislature can take into consideration direct expenses related to housing for the legislators who have committed to a rental lease for the legislative session.

Mr. Johnson suggested that the language could provide the flexibility to not only suspend but also modify the per diem as needed.

Mr. Johnson asked whether Speaker Bedke had any input regarding the Legislature's base salary. Speaker Bedke suggested the same increase provided to state employees by the change in employee compensation (CEC), which he believes would be a 3% increase.

Mr. Newcomb made a motion that if the Legislature, by passage of a concurrent resolution, adjourns to a day certain for more than three days, no unvouchered or vouchered expense allowance shall be payable to any member of the Legislature for the time period during such temporary adjournment without the approval from the Senate Pro Tem or the Speaker of the House. Mr. Johnson seconded the motion. A rollcall vote was taken; the motion passed with five votes.

State of Idaho Fiscal Budget Presentation and Change in Employee Compensation (CEC) Update – Maggie Smith, Senior Analyst, Budget and Policy Analysis Division, LSO

Chair Larsen called upon Ms. Smith to present next. Ms. Smith stated that the general fund revenues were looking very good at this time; the state is \$102.6 million ahead of the forecast for the first three months of the fiscal year. She commented that one of the contributing factors for the larger than normal general fund balance was the budget holdbacks implemented by the Governor in response to the pandemic.

Ms. Smith stated that in the previous fiscal year, the Governor declared a 1% holdback for agencies that are funded by the general fund and those funds were returned to the general fund. She added that, at the beginning of the current fiscal year (July), a 5% holdback was put into place. There was also a statewide hiring and compensation freeze. She noted that during the last legislative session, the Legislature funded and approved a 2% change in employee compensation for all state employees, but it was not implemented. She commented that LSO would receive a revised revenue forecast from the Division of Financial Management in the Governor's Office in January and the Legislature would consider that revised forecast when setting a budget.

Ms. Smith stated that the agencies had submitted their budgets for Fiscal Year 2022 and were directed to include a 1% employee compensation as a placeholder. She explained that the Division of Human Resources will provide their recommendation in their annual report by December 1 and the Governor will provide his change in employee compensation recommendation in January.

Ms. Smith briefly summarized the Change in Employee Compensation Historical Comparison [handout](#) that shows an 11-year view of the change in employees' compensation that was funded for statewide employees. Ms. Smith clarified that the strong revenues were due to growth in individual income tax, corporate income tax, and sales tax that were all higher than they were anticipated to be.

Public Testimony

Jim Haddock

Mr. Haddock commented that both he and Mr. Tom Haddock had provided public testimony at the 2018 committee meeting regarding legislative retirement compensation, in particular the carve-out for retirement benefits for legislators. Mr. Haddock believed that a misunderstanding had taken place during his 2018 public testimony. He clarified his desire to see the committee do away with the carve-out as well as the grandfathering clause that allows for the legislators who were serving at that time to receive the carve-out.

Mr. Johnson stated that the 2018 Report of the Citizens' Committee on Legislative Compensation correctly reflected the motion made as a compromise between the public and the legislators serving at that time. He stated that, at the time, he believed that it was a compromise that Mr. Haddock had agreed to as well. He apologized for any misunderstanding, but believed that the committee's 2018 report accurately captured the committee's discussion and the motion.

2020 Citizens' Committee on Legislative Compensation

1. Salary

1.1 Mr. Goedde made a motion to increase the base salary 1.5% for the first year and add another 1% to the second year for a total 2.5% increase. Mr. Goedde clarified that it would be a 2.5% increase over the current base salary. **Ms. Yost seconded the motion. A rollcall vote was taken; the motion passed with five votes.**

No changes were made to sections 1.2, 1.3, or 1.4 of the 2018 committee report.

2. Unvouchered Expense Allowance

No changes were made to sections 2.1, 2.2, 2.3, or 2.4 of the 2018 committee report.

2.5 New language added pursuant to Mr. Newcomb's motion passed earlier in the meeting: "If the Legislature, by passage of a concurrent resolution, adjourns to a day certain for more than three days, no unvouchered expense allowance shall be payable to any member of the Legislature for the time period during such temporary adjournment without the approval of the Senate Pro Tem or the Speaker of the House."

3. Vouchered Expense Allowances (no changes from the 2018 report)

4. Requirements for Payment (no changes from the 2018 report)

5. Additional Benefits: Medical, Dental and Life Insurance, Retirement and Honoraria (no changes from the 2018 report)

Chair Larsen called for a motion to adopt the 2020 committee report. **Mr. Goedde made a motion to adopt the language discussed for the committee's 2020 report. Mr. Johnson seconded the motion. A rollcall vote was taken; the motion passed with 5 votes.**

The committee adjourned at 10:34 a.m.