Chuck Winder President Pro Tempore Idaho State Senate



Mike Moyle Speaker House of Representatives

Idaho State Legislature

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Dear Members of the Citizens' Committee on Legislative Compensation:

Thank you for your work as members of the Citizens' Committee on Legislative Compensation. Your job is an important one. This letter is sent to assist you in your constitutional duty to review and set legislators' salaries and compensation packages according to Article III, § 23 of the Idaho Constitution.

After careful consideration of the change in statewide employee compensation (CEC), legislative staff support, and current legislator demands, we offer a simplified approach to structuring legislator compensation. This includes:

- 1. Tying legislative compensation to a percentage of the Average Idaho Household Income (AIHI); and
- 2. Removing the session meal and per diem allowances.

This approach results in an average take-home pay increase of \$6,446, or 34%, which would bring legislator pay into alignment with the historical average Idaho state employee CEC over the past 20 years. Details of this proposal are included in the following pages.

Legislative Salary and Compensation Overview

Historically, this committee has taken a conservative approach in setting the legislative compensation package. This approach preserves the notion of a citizens' legislature while also considering the part-time nature of the legislature's work. These concepts are essential to the committee's evaluatory process.

The State of Idaho has been guided by a part-time citizen legislature since its founding in 1890. Lawmakers have careers and lives outside of serving as legislators; they can be teachers, attorneys, doctors, entrepreneurs, farmers, ranchers, homemakers, or retired individuals. Through biennial elections and legislative sessions that last three or four months, legislators can better represent constituents by being present in their communities and not in the capital year-round. As the state of Idaho grows and the complex nature of the work of a legislator increases, it is important to put into context the amount of time the average legislator spends on their duty to Idaho and the people they serve.

While the typical legislative session runs for 88 days, legislators have many other commitments. In today's technology-focused world, legislators are contacted through email, telephone, and text seven days a week throughout the year. Interim committee work now spans the summer and fall as legislators balance the desire for short legislative sessions with the demands of the state and their constituents. Legislators also spend time connecting with their constituents, hearing concerns, and problem-solving real Idaho issues.

Legislative work is neither truly part-time nor should it be considered full-time, so the challenge to this committee is to recognize the demands on legislators and compensate them adequately. This will help attract the best and the brightest to represent the constituency they were elected to serve.

Salary Considerations

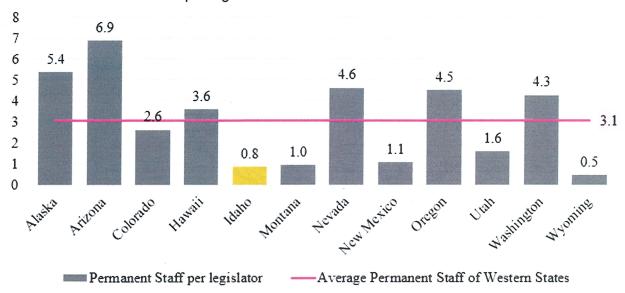
A 20-year historical look at the change in average salaries for state employees reflects a 74% increase. Legislative compensation, by comparison, has increased at a rate of 27% over the same period.

	Salary Con	mparison O	ver Twenty	Years	
Alexander Sanda		Lieutenant	State	Constitutional	
	Legislators	Governor	Employees	Officers*	Judges**
FY2005	\$15,646	\$26,750	\$35,269	\$87,167	\$106,979
FY2024	\$19,913	\$52,900	\$61,232	\$135,482	\$157,878
Percent Increase	27%	98%	74%	55%	48%
Dollar Increase	\$4,267	\$26,150	\$25,963	\$48,315	\$50,899

Footnotes

Another important consideration when evaluating legislative compensation is the number of support staff available to legislators. While Idahoans pride themselves on doing more for less, the following chart is a clear indication of how much more Idaho lawmakers are required to do themselves without the support of staff.

Number of Permanent staff per legislator in Idaho and western states



After carefully considering changes in legislative workload, surrounding states' compensation packages, historical statewide changes to the CEC, and the minimal number of support staff available to assist legislators, we propose the following simplified approach to legislative compensation:

• Tie legislator salaries to 40% of the latest available Average Idaho Household Income (AIHI) as calculated by the US Census Bureau. 40% is a fair representation of the average legislator's minimum annual

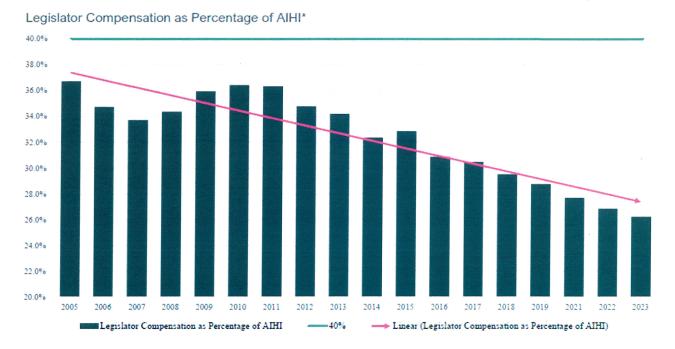
^{*}This is an average of all constitutional officer salaries excluding the Lt. Gov.

^{**}This is an average of all judges except magistrates.

- workload, accurately portraying the time spent on legislative business, which is also time spent away from their career and their family.
- Eliminate the legislator per diem. A significant component of legislator compensation is their per diem which has historically been set by this committee. This committee most recently tied this to the federal per diem rates (M&IE) published by the US General Services Administration (GSA). This proposal includes removing the M&IE per diem while continuing the lodging per diem for those legislators with a primary residence more than 50 miles away from the Capitol. Because M&IE per diem is not a taxable benefit for remote legislators, it creates a disparity in take-home income. We recommend eliminating the M&IE per diem, which will offset much of the cost of the proposed salary increases.
- Change the calculation method of the additional salary provided to the President Pro Tempore, the Speaker of the House, and the Majority and Minority Leaders of both bodies. The amount would now be calculated using the latest available AIHI and includes an additional 10% of the AIHI for the President Pro Tempore and the Speaker of the House and an additional 4% of the AIHI for the Majority and Minority Leaders. Using the most recent data from the US Census Bureau, the President Pro Tempore and the Speaker of the House would each receive an additional \$9,450, and the Majority and Minority Leaders would each receive \$3,780. These positions carry with them an additional workload and responsibilities that should be recognized, and such an increase would align with the percentage increase in the regular legislator salary portion of this proposal.

The salary changes would be updated yearly on December 1, using the most recent available data from the US Census Bureau.

The chart below shows the change in legislator compensation, including M&IE per diem, compared to AIHI over the last 20 years. Even as workload increases, legislative salaries have decreased in comparison to the AIHI over the same period.



^{*}Data was not calculated for 2020.

The chart below outlines the effects of these changes using the 2022 (most recent available data) Average Idaho Household Income of \$94,503.

Legislator Compensation Scenario								
Distance from Capitol	Current		Proposed		Change			
	Within 50mi	Over 50mi	Within 50mi	Over 50mi	Within 50mi	Over 50mi		
Total Legislators	44	61	44	61	44	61		
Salary	\$19,913	\$19,913	\$37,801	\$37,801	+\$17,888	+\$17,888		
Employee Withholdings (32.525%)	\$6,477	\$6,477	\$12,295	\$12,295				
Meal Per-Diem	\$6,512	\$6,512	\$0	\$0	-\$6,512	-\$6,512		
Employee Withholdings (32.525%)	\$2,118	\$0	\$0	\$0				
Net "Take Home" Per Legislator	\$17,830	\$19,948	\$25,506	\$25,506	+\$7,676	+\$5,558		

These adjustments to the legislator's salary, along with the elimination of the M&IE per diem would increase a legislator's take-home pay by an average of \$6,446, or 34%. This is aligned with the historical average of State Employee CECs over the previous 20 years as shown in Chart 1.

Unvouchered Constituent Allowances, Vouchered Expense Allowances, Additional Benefits

We have no recommendations to the committee for changes to the following: Unvouchered Constituent Allowances, Vouchered Expense Allowances, or Additional Benefits.

Conclusion

Thank you for the opportunity to provide the committee with the Legislature's perspective on the compensation package. This committee's commitment to the State is to be commended. On behalf of the entire Legislature, thank you for your service and consideration.

Sincerely,

Chuck Winder

President Pro Tempore

Idaho State Senate

Melissa Wintrow

Minority Leader

Idaho State Senate

Mike Moyle

Speaker

Idaho House of Representatives

Jul In

Ilana Rubel

Minority Leader

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