ALASKA LEGISLATURE

Representative Jonathan Kreiss-Tomkins

The Right Balance By Morgan Cullen, Analyst National Conferences of State Legislatures, 2011

Different Approaches

To help take politics out of the issue, 19 states have created compensation commissions to provide independent and impartial recommendations.

Most commissions convene every couple of years, review comparable salaries and benefits, provide an opportunity for public comment and issue formal recommendations. The governor and legislative leaders usually nominate committee members. Many states require that members come from different backgrounds and political parties to ensure diversity.

Commissions' levels of influence varies. Some serve only an advisory role and make proposals the legislature can modify. In other states, commission recommendations are binding unless lawmakers vote to reject them or the governor turns them down. In Arizona and Nebraska, commission recommendations must be approved by voters before going into effect. In California and Washington, commissions have carte blanche to raise or lower salaries.

The effect of commissions on salaries has varied. California's Citizens Compensation Commission reduced the salary of its legislators by almost \$21,000 in 2009.

"California legislators were reducing staff salaries and issuing mandatory furloughs in an effort to reduce costs," says Charles Murray, chairman of the commission. "They didn't have the authority to lower salaries on their own but we realized it needed to be done."

Alaska's Officers Compensation Commission recommended a \$26,000 increase for 2009, which was adopted and raised the salaries of Alaskan lawmakers for the first time in more than 15 years. "We understood the obvious problems with legislators establishing a compensation system that includes their own pay and benefits," says Representative Mike Doogan, who sponsored the 2008 legislation to create the commission. "The legislation was not an attempt to increase or reduce salaries but rather to create a commission that could provide an equitable solution."

Many legislators from states with commissions agree they provide a way to address the issue fairly. Other states have tied legislative compensation to other state employee salaries or to changes in the cost of living. In these cases, increases in legislative salaries are automatic. Florida legislators receive the same annual percentage increase as state employees. In Massachusetts, legislative salaries are tied to an index that provides an automatic increase or decrease, according to the median household income for

the state.

No matter how salaries are determined, it's still difficult to have an open discussion about them, given the public's hostility toward the issue. Legislators are all too aware of the potential political consequences of supporting an increase, even if they believe it's the right thing to do. One has only to look at Pennsylvania to understand the implications involved. In 2006, primary voters there ousted 17 incumbents for increasing their salaries by 16 percent the previous year. To avoid voter scrutiny, many other lawmakers decided not to seek reelection. The increase was ultimately repealed four months later because of the political firestorm that had erupted.

Rosenthal thinks there needs to be a transparent process that addresses the issue fairly.

"Too much bad press and misinformation often cloud the issue. Ultimately, voters don't receive a balanced view of what is really happening," he says. "I don't think legislators should make as much as they would in the private sector because they are serving the public, but they do deserve a salary that is fair."

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