REPORT OF THE COMMISSION TO STUDY LEGISLATIVE COMPENSATION AND THE COMPENSATION OF

CERTAIN STATE EMPLOYEES

To

THE GOVERNOR

And

THE GENERAL ASSEMBLY OF VIRGINIA



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MEMBERS OF THE COMMISSION

Edward L. Breeden, Jr., Chairman Lyle C. Bryant John H. Clements Weldon Cooper Warren J. Davis Robert E. Glenn H. Hiter Harris, Jr., Vice Chairman G. Scott Shackelford, III Ms. J. A. Throckmorton

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Report of the Commission to Study Legislative Compensation and the Compensation of Certain State Employees

to

The Governor and the General Assembly of Virginia

Richmond, Virginia January 4, 1974

TO: HONORABLE LINWOOD HOLTON, Governor of Virginia and THE GENERAL ASSEMBLY OF VIRGINIA

The General Assembly at its Regular Session of 1973 enacted House Joint Resolution No. 183 requesting the appointment by the Governor of this Commission to make its recommendations as to the compensation afforded the Members of the General Assembly and all persons who serve the General Assembly in any capacity.

|Said Commission, having completed its work, respectfully submits this report:

A recurring problem for members of legislative bodies, whether at the national, state, or local level, is the amount of compensation paid to the members of those bodies. Traditionally, the concept of the American legislature is one composed of citizens serving part-time as legislators rather than the concept of a legislator occupying a full-time professional position, and this has been especially true on the State legislative level. Members of the Virginia General Assembly from 1619 to recent times have clearly been classified as citizen-legislators.

Pressures have arisen, however, which threaten the idea of the citizen-legislator, and those pressures arise for the most part out of the sharp increase in the amount of time that members of the General Assembly devote to their legislative duties. It was acknowledged that an unascertainable amount of a legislator's time involves so-called personal political activity. Prior to the adoption of the new 1971 Constitution, the General Assembly normally met for two out of each twenty-four months. At the conclusion of the two-month regular session held in even-numbered years, the business of the legislature was concluded, and the General Assembly went out of existence as an active legislative body until it reconvened in the next even-numbered year. The exception to this was when a special session was found necessary, which has tended to be the rule rather than the exception during the last decade. During the last two or three decades the amount of time required of a member of the General Assembly has increased because of the growth in population and expansion of governmental activity in both old and new fields. This has resulted in a staggering increase in the number of studies assigned by the Governor and the General Assembly to the commissions. This growth in the volume of business, however, was not of sufficient scope to change significantly the role of the legislator as a citizen devoting a relatively minor portion of his time to legislative duties and activities.

This condition has been steadily growing in recent years and further has been altered substantially with the adoption of the 1971 Constitution. The General Assembly now meets regularly each year, for sixty days in the even-numbered years and for thirty days in the intervening year. Legislative committees of both the House of Delegates and the Senate remain in existence throughout the two-year life of the General Assembly, and some bills are carried over for the second session if not disposed of in the first session. This change in the Constitution has sharply increased the amount of time that legislators have had to devote to their duties and has raised the question as to the advisability of increasing the compensation of the members of the General Assembly and the amount of money available for employing staff assistants.

In recognition of this condition, the 1973 General Assembly, upon the recommendation of Governor Linwood Holton, authorized by House Joint Resolution No. 183 the creation of a Commission to Study Legislative Compensation and the Compensation of Certain State Employees to examine and make recommendations relating to the compensation of the members of the General Assembly and the salaries of legislative employees. The resolution creating the Commission reads as follows:

Whereas, every effort should be made to assure that undue financial burdens are not laid on the citizen legislators who serve the Commonwealth in order that qualified persons may continue to function in the legislative process; and

Whereas, if the proper assistance is to be available to the legislators a proper staff must be assembled to serve; and

Whereas, a competent disinterested panel of persons would be in the best position to determine the current adequacy of and future requirements for legislative compensation and the compensation of those who serve the General Assembly; now, therefore be it

Resolved by the House of Delegates, the Senate concurring, That the Governor is hereby requested to commission a panel of nine persons familiar with the needs of the Commonwealth and financial affairs undertake a studv of to the of compensation afforded the members the General Assembly and all persons who serve it in any capacity; the findings and recommendations of such panel to be submitted to the Governor and the General Assembly on or before December one, nineteen hundred seventy-three. While members of the panel will serve without compensation, there is hereby appropriated from the contingent fund of the General Assembly the sum of five thousand dollars to be used to defray the necessary expenses of the study and the panel members.

As will be noted, the resolution specifically calls for the membership of the Commission to be composed of nonlegislators. In this way, the difficulties arising out of the legislature making recommendations as to its own salaries were avoided.

In accordance with the terms of the resolution, the Governor appointed the following members to serve on the commission:

Edward L. Breeden, Jr. of Norfolk Lyle C. Bryant of Arlington John H. Clements of Carson Weldon Cooper of Charlottesville Warren J. Davis of Fairfax Robert E. Glenn of Roanoke H. Hiter Harris, Jr. of Richmond Scott Shackelford, III of Roanoke Mrs. J. A. Throckmorton of Richmond At its organizational meeting on July 19, 1973 the Commission elected Mr. Breeden as Chairman and Mr. Harris as Vice-Chairman.

Since the normal source of assistance to the Commission, namely the Division of Legislative Services, was not available because of the fact that the salaries of the members of that Division were one of the items to be considered, the Commission, with the assistance of the Governor, sought help elsewhere. That assistance was provided by the Division of Personnel in the Office of Administration of the Governor's Office and a member of the staff of that Division, Graham Grove, was selected as Secretary of the Commission. Research assistance in collecting data on the compensation of legislators and legislative employees in other states was provided by the Division of Legislative Services.

From the outset, the Commission was in unanimous accord that Virginia's General Assembly should continue to be composed of citizen legislators rather than full-time professional legislators. Adoption of this point of view by the Commission obviously resulted in the recognition of the fact that it would not be possible to compensate legislators for their services to the same extent that would be possible and even expected in similar work in the private sector. This approach to the problem of legislative compensation created a number of problems with which the Conmission grappled and which have markedly affected its recommendations to the Governor and the General Assembly. In conducting its study, the Commission met five times, the final meeting being on January 4, 1974 when its report was unanimously approved, subject to the attached memorandum of Mr. Lyle C. Bryant and Mrs. J. A. Throckmorton.

The Commission has tried to hue closely to the authority set forth in the language of the resolution creating it. As a result, it has not gone into areas that might otherwise have been explored, which nevertheless should be mentioned in this report.

It was suggested to the Commission that limiting the total length of legislative service would help preserve the citizen-legislator concept. It put forward the idea that if the total permitted term to which a legislator could be elected, or reelected, were limited to ten or twelve years that a member could serve, he would acquire the relative experience and seniority to make his contribution to public affairs worthwhile and then be permitted to retire like Cincinatus to his normal daily pursuits.

It was also observed that the transition from a citizen legislator to a professional one often occurs involuntarily over a great length of time as the member becomes involved in new and ever-expanding fields of legislative activity.

Some Commission members felt that an effort should be made to educate the public and advise it of the needs of legislators and hence justify an increase in their compensation.

It was the judgment of the Commission that the foregoing areas of investigation were beyond the limits of the enabling resolution and hence were not pursued. The Commission agreed that its duties did include the providing for and the payment of the necessary staff for legislators, thereby relieving them of many demands on their personal time, as well as their pocketbooks.

In its work the Commission has sought the advice of members of

the General Assembly and has conducted public hearings to permit any interested citizen to present his views. In addition, information was gathered concerning legislative compensation in other states, an examination in detail was made of the several methods of compensation and travel reimbursement for the members of the General Assembly, and a questionnaire was circulated to the members of the General Assembly concerning their workload and their opinions as to what might be an appropriate figure for compensating members of the General Assembly and legislative employees. In fairness to its members it should be reported that the majority of Virginia legislators who spoke to or wrote the Commission urged staff assistance and only small, if any, increase in their own pay.

The Commission is not unmindful of the fact that recent events in other states show that sharp salary increases for members of state legislative bodies are not popular at the present time. In general elections in November 1973, for example, voters in the states of Rhode Island, Texas, and Washington turned down salary increases proposed by their respective legislatures. In each instance, it should be pointed out, the proposed increases were rather drastic and undoubtedly this fact was of considerable importance in the outcome of voter disapproval. In our deliberations we have attempted to balance what we believe to be the need for increases in legislative compensation and staff assistance with the need for making those increases as reasonable as possible.

After careful study and consideration of all the information presented to the Commission, the following recommendations are made.

I. Summary of Recommendations

A. That the salaries of members of the General Assembly be increased from \$5,475 to \$6,000 per year and that the salaries of the President of the Senate and the Speaker of the House of Delegates be increased from \$10,525 to \$11,400 per year, to be paid in monthly amounts of \$500 and \$950, respectively.

B. That expense allowances for the members and presiding officers of the General Assembly during regular and special sessions, or any extensions thereof, be raised to the maximum non-vouchered rate now or hereafter permitted by the U. S. Internal Revenue Service, but not exceeding fifty dollars (\$50) per day with no change in the mileage allowance of 10¢ per mile, unless, due to the energy crisis, employees in the executive branch receive a mileage allowance increase. (The non-vouchered amount (\$36 at present) is that which the Internal Revenue Service will accept without the necessity for supporting documents; any amount above that would require a detailed supporting record for the entire payment).

C. That the per diem compensation for legislators serving between sessions as members of committees, subcommittees, study or other formal legislative commissions be increased uniformly to fifty dollars (\$50) per day but not exceeding a total of \$2,500 in any calendar year.

D. That the allowance for the employment of staff for members of the General Assembly be raised from \$3,600 to \$4,800 per year.

E. That the annual allowances for staff serving the President of

the Senate and the Speaker of the House of Delegates be maintained at the present levels of \$7,500 for one or more secretaries and \$9,600 for one or more administrative assistants.

F. That no other change in the compensation structure for members of the General Assembly be made. (Under this proposal the individual credit card issued to each legislator to cover the costs of telephone calls would be continued, which presently totals \$2,500 in the aggregate per month).

G. That the compensation of legislative employees serving the General Assembly be as follows:

- 1. That the members of the staff of the Division of Legislative Services be covered by position classification and pay plans similar so far as possible to that provided for the executive branch and that salary increases for legislative employees be made at the same time as increases are approved for the executive branch. The General Assembly should retain under its control the final determination of the classification of such staff members.
- 2. That the salary of the Director of the Division of Legislative Services be in the same pay range as directors of division in the executive branch.
- That the annual salaries of the Clerks of the House of Delegates and of the Senate, the Auditor of Public Accounts, and the Director of the Joint Legislative Audit and Review Commission are historically and properly under the control of those respective bodies, and it is believed appropriate that their compensation be fixed by legislative action rather than through a recommendation from this Commission.

II. Reasons for Recommendations

A. The significant increase in the time required for members of the General Assembly to carry out their responsibilities, to our way of thinking, requires an increase in compensation and in per diem allowances. In addition to the ninety days required of a legislator for the two sessions of the General Assembly, the time a legislator has to devote to attending meetings of committees, subcommittees, and study commissions has increased sharply. Those members of the General Assembly who responded to our questionnaire indicated that they spent from between thirty and sixty days on legislative duties between the sessions of the General Assembly.

Moreover, a legislator is expected to keep in touch with his constituents and to answer inquiries from them. While the performance of this duty is time-consuming, nevertheless it is necessary for a legislator to keep in touch with the views of those he represents, and to maintain a relationship with them which will reveal their desires and concerns.

In response to our questionnaire, the figure proposed by members of the General Assembly for compensation varied widely; however, the per diem compensation for service on committees, subcommittees, and legislative study commissions was generally agreed upon at \$50 per day. Some legislators felt no change in their salaries was necessary while a few others believed a figure considerably in excess of \$10,000 was appropriate. We have set the figure for annual compensation at \$6,000 in the belief that the increase, while a relatively modest one of 9.58%, will be helpful in reducing any burden now borne by the individual members out of his or her own pocket. B. In recommending that travel expenses for members and the presiding officers of the General Assembly during sessions of the Assembly be changed to the maximum amount permitted by the Internal Revenue Service for non-vouchered expenses up to and including 50 per day with no change in the mileage allowance, we have been aware of the fact that the Internal Revenue Service now permits a non-vouchered daily rate of 36 per day. In proposing an increase of up to 50 per day, we are providing for an increase in the non-vouchered amount to be made in the future in the event that the Internal Revenue Service raises the rate, without the necessity for the General Assembly to take future action to accommodate the change.

C. The proposed increase to \$50 per day in compensation for members serving on committees, subcommittees and legislative commissions or other formal legislative study groups meeting between sessions. is in accord with the previous recommendation for an increase in the annual compensation. This has the merit of varying compensation according to the amount of legislative work that different members do between sessions. Also, we have noted some differences in the per diem compensation between those serving on some committees and other assignments, and we believe the uniform rate for all such assignments should be \$50 per day.

D. The proposed increase from \$3,600 to \$4,800 per year in the allowance for members of the General Assembly to employ individuals to assist them in their legislative duties is a relatively modest one, and good arguments can be made that an additional increase is needed. We believe, however, that at the present time the proposed annual increase of \$1,200 in the allowance for staff will be sufficient for legislators to conduct their duties without an undue burden on their own pockets. Results from the questionnaire returns indicate a considerable variation in the staff requirements of individual members of the General Assembly, ranging from no staff at all to as many as four assistants. The most common size seems to be from one to two staff members. The questionnaire returns further indicated that 40 percent of those replying did not have to use personal funds to employ staff, while 60 percent stated that they spent their own personal funds for a portion of this cost. The most frequently cited amount of personal expenditure was in the range of \$1,000 to \$1,500 a year. In view of the proposed increase in the size of the staff of the Division of Legislative Services and the information obtained from the questionnaire, it seems to us that an increase in the allowance of staff services of \$1,200 will be adequate for the time being.

E. The allowances for staff for the Speaker of the House of Delegates and the President of the Senate for secretaries and for administrative assistants were recently substantially increased and seem to us to be sufficient for the immediate future.

F. If these recommendations are adopted, we believe there is no need for any other changes in the compensation structure of the members of the General Assembly.

G. Our recommendations in the areas of legislative employees and the Director of the Division of Legislative Services are based on the belief that those salaries should parallel the salary structure for employees in the executive branch. Fairness also requires that increases in legislative employees salaries be made at the same time and in the same proportion as salaries for employees in the executive branch. The salaries of the Clerks of the House of Delegates and of the Senate, the Auditor of Public Accounts and the Director of the Joint Legislative Audit and Review Commission, we believe, should be left to the determination of each of the bodies concerned.

III. Conclusions

Virginia has been fortunate over the years in the caliber of the members of its General Assembly. Many observers viewing the General Assembly at work compare it most favorably with other American state legislatures. We believe this favorable ranking is due in large part to the concept of a citizen serving as a part-time legislator.

Obviously, some members of the General Assembly have not only devoted their services at small cost to the Commonwealth but have also paid out of their own pockets a portion of the cost of that service. We believe that the recommendations here proposed will reduce the amount of personal sacrifices that members of the General Assembly have to make and yet avoid the development of the position of a have to make and yet avoid the development of the position of a member of the General Assembly to the status of a full-time professional job. Nothing in our view could be more harmful to the work of the General Assembly than such an event. We therefore suggest that future commissions, probably constituted of nonlegislators such as this one, be convened at appropriate intervals to review the compensation structure of legislators and legislative em-ployees in order that the General Assembly may continue its high ranking among state legislatures.

Respectively submitted,

Edward L. Breeden Chairman

H. Hiter Harris,

Warren J. Davis

Vice Chairman. MARC Lyle C. Bryant Robert E. Glenn

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Mrs. J. A. Throckmorton

Commission to Study Legislative Compensation And Compensation of Certain State Employees

MEMORANDUM OF COMMENT, RESERVATION, AND DISSENT

By Lyle C. Bryant

I am strongly in accord with the majority report, with two exceptions, the first, very specific; the second, more general:

A. I favor an increase in the annual base salaries of rank and file General Assembly members to \$7,200 per annum; (not \$6,000) and of the Speaker of the House and the President of the Senate to \$14,400.

B. I have some reservations about the language of the concluding section of the majority report. After praising both the caliber of the members and the quality of the work of Virginia's General Assembly during past years, it attributes this favorable ranking largely to "the concept of a citizen serving as a part-time legislator". Then it proceeds to warn that "nothing, in our opinion, could be more harmful to the work of the General Assembly," than a departure from the traditional form of this time-honored concept. I am by no means prepared to recommend for Virginia a full-time professional legislature. However, it may, be noted that even some of America's most prestigious business-men's organizations, including the Committee for Economic Development and the Chamber of Commerce of the United States are leaning in this direction, particularly for states as large and with problems as complex as Virginia's today. I question whether the majority's unrestrained clinging to a concept from a distant and very different past is in the best interest of the Commonwealth.

The basic salary figure of \$7,200 for rank and file General Assembly members is one to which the Commission agreed unanimously at its third meeting in September. That figure was confirmed at the Commission's fourth meeting in October, with but one dissent. Not until its fifth and final meeting on January 4, 1974, did a majority of the Commission vote to reduce the recommended figure to \$6,000. The reversal was apparently on the basis of a November 8 Associated Press report of failures at the polls in Washington State, Rhode Island, and Texas of proposals that would have raised state legislative base salaries by 193%, 566% and 215.5%respectively.

Prior to the final vote establishing the figure at 6,000, I, with a view to effecting a compromise, moved to set the figure at 6,400, corresponding to the 16.1% increase in the BLS Cost of Living Index since the opening of the legislative session at which the present salary of 5,475 was established. In that final vote, I voted nay. However, in light of the continuing inflation affecting the country, I am firmly convinced that the 7,200 figure originally agreed upon is fully warranted.

It will be recalled that, in a report to the 1973 General Assembly, the Legislative Process Commission chaired by Speaker John Warren Cooke found that "regardless of the index used, Virginia's General Assembly consistently ranked among the least staffed, most poorly equipped legislatures in the union." Moreover, until 1971, Virginia legislators were among the nation's most poorly paid.

Happily during the past half dozen years, tremendous strides

have been made toward providing Virginia with a better housed, better equipped, better staffed, more independent, and otherwise more modern legislature—whereby individual members and thus the citizenry in general may have more meaningful influence in the shaping of our laws. Those modernization efforts included action at the 1971 session of the General Assembly fixing members' base salaries at \$5,475 per annum. This brought Virginia's legislative salaries to about the average for the nation. It was also a start toward making service in the Virginia General Assembly possible for more persons other than lawyers (who were reported to comprise more than 60% of the 1972-73 General Assembly membership), farmers, retired persons, and housewives. Thus it held out the hope that the General Assembly might in time come to include a broader spectrum of Virginia citizens.

In the meantime, other states have been increasing legislative compensation—partly in response to continuous increases in the cost of living, partly in recognition of tremendous recent increases in the work load of state legislative bodies. For the General Assembly now to adopt the 6,000 figure recommended in the majority report (which is only 9.58% above the level established in 1971, less than the 16.1% increase since then in the cost of living) would be a backward, not a forward step.

Hydr C. Bryant

Commission to Study Legislative Compensation And Compensation of Certain State Employees

MEMORANDUM OF COMMENT, RESERVATION, AND DISSENT

Mrs. J. A. Throckmorton

Except for those pertaining to the base salaries of the General Assembly members and its leaders, I am in accord with all of the recommendations of the report.

I favor an increase in annual base salaries of General Assembly members to \$7,200 per annum, and of the Speaker of the House and President of the Senate to \$14,400.

When the final vote on the proposed salary of \$6,000 for members and \$11,400 for the Speaker of the House and President of the Senate was taken, I abstained from voting. Later, after consideration, I decided to dissent.

I feel very strongly that the salary I am recommending would be an incentive for many citizens to run for office who cannot afford to do so because of the base salary now being paid. The recommendations of the commission do not increase it enough to encourage a broader spectrum of citizens to seek service in the General Assembly.

Livien C. Hontmaster

Mrs. J. A. Throckmorton