

Memorandum

February 12, 2021

To Legislative Salary Council

From Marta James, Legislative Analyst

Subject Constitutional and Statutory provisions relating to the Legislative

Salary Council

In 2013, the legislature approved a state constitutional amendment proposal establishing the Legislative Salary Council and modifying the procedures for setting the annual salaries of state legislators. The voters ratified the amendment at the 2016 state general election. The bill proposing the constitutional amendment included a section of statute implementing the provisions of the amendment. (Laws 2014, chapter 282). This memo refers to the constitutional amendment (Minnesota Constitution, article IV, section 9) and the statutory section (Minnesota Statutes, section 15A.0825) together as "the law."

The law requires the council to prescribe legislative salaries.

The law requires the council to act by March 31 of each odd-numbered year to prescribe legislative salaries. New salaries would take effect on July 1 of that year. This cycle began in 2017 and continues every two years thereafter.

The law requires the council to communicate its salary decisions, and the rationale used to reach them, in the form of a report. The deadline for submitting the report is March 31, 2021. Any salary changes would take effect July 1, 2021.

The report "must describe the council's rationale for selecting the prescribed salaries."

The following people will receive an official copy of the report:

- the governor
- the majority and minority leaders of the house and senate
- the chairs of the house and senate committees with jurisdiction over the legislature's budget
- the chairs of the house and senate committees with jurisdiction over finance

The law requires the council to consider other legislative compensation provided by the state and the most recent budget forecast in setting legislative salaries.

The law is silent on whether salaries should be increased, decreased, or changed at all. But the law does require council members to consider certain items in reaching its decisions. The law

requires the council to consider "any other legislative compensation provided to legislators by the state...." The law does not define "other legislative compensation, but example items that might be considered "legislative compensation" include per diem payments, insurance, and other fringe benefits.

In addition to considering other sources of legislative compensation, the law requires the council to consider the most recent state budget forecast. State statute requires two budget forecasts per year. The most recent budget forecast as of the writing of this memo was released in November, 2020. Statute requires the next budget forecast be released by the end of February, 2021.

There is no specific guidance in the constitution or statute on how the council should weigh other sources of compensation or the budget forecast in setting legislator salaries.

The law is silent as to what would happen if the council failed to prescribe legislative salaries by the March 31 deadline.

Council members must not communicate with current legislators between the first meeting of the council and the submission of the associated report.

The law prohibits all communications between legislators and council members beginning after the first meeting of the council is convened, and running through the date the council submits its report.

MJ/rk