

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Committee on Governmental Oversight and Accountability

BILL: SB 712

INTRODUCER: Senator Joyner

SUBJECT: Compensation of Members of the Legislature

DATE: February 15, 2015

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	McVaney	McVaney	GO	Unfavorable
2.	_____	_____	EE	_____
3.	_____	_____	RC	_____

I. Summary:

This bill resets, beginning July 1, 2016, the annual salary of the presiding officers and other members of the Florida Legislature to \$57,000 and \$50,000 annually, respectively. Beginning July 1, 2017, these amounts will be adjusted based on the average percentage increase in the salaries of state career service employees for the preceding fiscal year.

The fiscal impact of the adjustments is roughly \$4.9 million annually from the General Revenue Fund.

II. Present Situation:

Salaries for the Florida Legislature

The legislative power of the state is vested in the Legislature,¹ consisting of between 30-40 senators and 80-120 members of the House of Representatives.²

By law, the annual salaries of the President of the Senate (President) and the Speaker of the House of Representatives (Speaker) are set at \$25,000 each. The annual salaries of all other legislators are set at \$18,000 each.³ Beginning July 1, 1986, the legislator salaries are adjusted each July 1 based on the average percentage increase in the salaries of state career service employees for the fiscal year just concluded.⁴

Although the statutory structure of legislators' salaries has automatic annual adjustments, the Legislature has periodically avoided the automatic adjustments. Since 1985, the legislators'

¹ FLA. CONST. art. III, s. 1.

² FLA. CONST. art. III, s. 16.

³ Section 11.13(1)(a), F.S.

⁴ Section 11.13(1)(b), F.S.

salaries have been reduced twice⁵, held constant in nine other years⁶, and adjusted upward less than the statutory formula would have authorized.⁷ Table 1 below shows the history of the annual salaries paid to the members of the Florida Legislature.⁸

Table 1. Historical Base Salaries of Members

Year	Members	Presiding Officers
Pre-1969	\$1,200	\$1,200
1969-1984	\$12,000	\$12,000
1985	\$18,000	\$25,000
1986	\$18,900	\$26,250
1987	\$19,848	\$27,564
1988	\$20,748	\$28,812
1989	\$21,684	\$30,120
1990-1993	\$22,560	\$31,322
1994	\$23,244	\$32,280
1995	\$24,180	\$33,576
1996	\$24,912	\$34,584
1997	\$25,668	\$35,628
1998	\$26,388	\$36,624
1999	\$27,132	\$37,644
2000	\$27,900	\$38,700
2001	\$28,608	\$39,672
2002	\$29,328	\$40,668
2003-2005	\$29,916	\$41,484
2006	\$30,996	\$42,984
2007	\$31,932	\$44,280
2008	\$30,336	\$42,072
2009-2016	\$29,697	\$41,181

Comparison with Other States

In 1999, the Florida House of Representatives commissioned a study (MGT study) to compare the compensation for the members of the Florida Legislature to that of other states.⁹ That study compared Florida's annual salaries to that of: (a) its population peers; (b) state with similar

⁵ Section 52, Chapter 2008-153, Laws of Florida, reduced the salaries by 5 percent when compared to the 2007 salary. Section 48, Chapter 2009-82, Laws of Florida, reduced the salaries an additional 2 percent when compared to the 2007 salary.

⁶ Section 41, Chapter 91-157, Laws of Florida, Section 45, Chapter 92-326, L.O.F.; Section 34, Chapter 2004-269, L.O.F.; Section 58, Chapter 2010-153, L.O.F.; Section 62, Chapter 2011-47, L.O.F.; Section 41, Chapter 2012-119, L.O.F.; Section 40, Chapter 2013-41, L.O.F.; Section 54, Chapter 2014-53, L.O.F.; and Section 76, Chapter 2015-222, L.O.F.

⁷ Section 44, Chapter 2003-399, Laws of Florida, authorized an adjustment of 2% beginning July 1, 2003.

⁸ Office of Legislative Service, The Florida Legislature, *Legislative Fact Sheet 2015-2016* (on file with the Committee on Governmental Oversight and Accountability).

⁹ MGT of America, Inc., *Review of the Compensatory Package for the Florida Legislature*, dated May 15, 2000 (on file with the Committee on Governmental Oversight and Accountability).

“professionalism” of the members; and (c) states with similar authority vis-à-vis the executive branch.

Population Peers

Table 2 compares Florida salaries to that of its population peers. The MGT study noted that the southern states (noted in italics in the table) were the only states that paid less than Florida. The two most populous states (California and New York) paid the most. Texas, the third most populous state, paid the least.¹⁰ Those comparisons continue based on the 2015 data.¹¹ The average annual legislator salary of Florida’s population peers grew about 21.5 percent from 1999 to 2015. Florida’s annual legislator salary grew only 12.5 percent during that same period.

Table 2. Population Peers

State	1999 Salary ¹²	2015 Salary ¹³
California	\$99,000	\$97,197
<i>Georgia</i>	\$11,348	\$17,342
Illinois	\$50,803	\$67,836
Massachusetts	\$46,410	\$60,033
Michigan	\$55,054	\$71,685
New Jersey	\$35,000	\$49,000
New York	\$79,500	\$79,500
<i>North Carolina</i>	\$13,951	\$13,951
Ohio	\$42,427	\$60,584
Pennsylvania	\$59,245	\$85,339
<i>Tennessee</i>	\$16,500	\$20,884
<i>Texas</i>	\$7,200	\$7,200
<i>Virginia</i>	\$17,640	S \$18,000 H \$17,640
Wisconsin	\$41,809	\$50,950
Average	\$41,135	\$49,964
Florida	\$26,388	\$29,697

Peers Based on Legislative Professionalism

The third way of grouping the states for comparison is based on the level of legislative professionalism – the degree to which legislative work is the full time vocation of the legislative members. In the MGT study, Florida was grouped in the “hybrid legislature” category, exhibiting some characteristics of both the “professional legislature” and the “citizen legislature.” In 1999, 8 of the other 24 states paid more than Florida. Today, ten of the 24 states pay more than Florida. The average salary for other hybrid states has grown 38 percent from

¹⁰ Id., p. 3-3.

¹¹ National Conference of State Legislators (NCSL), *2015 State Legislator Compensation and Living Expense Allowances During Session*, <http://www.ncsl.org/research/about-state-legislatures/2015-state-legislator-compensation.aspx> (last visited February 10, 2016).

¹² MGT, *supra* at p. 3-3.

¹³ NCSL, *supra*.

1999 to 2015 while Florida's legislator salary has grown roughly 12.5 percent during that same time period.

Table 4. Hybrid Legislatures

State	1999 Salary ¹⁴	2015 Salary ¹⁵
Alabama	\$1,030	\$42,849
Alaska	\$24,012	\$50,400
Arizona	\$24,000	\$24,000
Colorado	\$30,000	\$30,000
Connecticut	\$21,788	\$28,000
Delaware	\$29,574	\$44,541
Hawaii	\$32,000	\$59,004
Iowa	\$20,758	\$25,000
Kansas	\$9,720	\$7,979 ¹⁶
Kentucky	\$7,852	\$11,293 ¹⁷
Louisiana	\$16,800	\$22,800
Maryland	\$30,591	\$45,207
Minnesota	\$31,140	\$31,141
Mississippi	\$10,000	\$10,000
Missouri	\$29,080	\$35,915
Nebraska	\$12,000	\$12,000
North Carolina	\$13,951	\$13,951
Oklahoma	\$38,400	\$38,400
Oregon	\$14,496	\$23,052
South Carolina	\$10,400	\$6,000
Tennessee	\$16,500	\$20,884
Texas	\$7,200	\$7,200
Virginia	\$17,640	S \$18,000 H \$17,640
Washington	\$28,300	\$42,106
Average	\$19,895	\$27,466
Florida	\$26,388	\$29,697

Peers Based on Functional Similarity

The MGT study also compared Florida to other states based on functional similarity – the amount of power vis-à-vis the executive branch and the amount of influence in the appointment and budget processes.¹⁸ Table 3 shows that in 1999 only two states in this group paid higher salaries than Florida. Today, five of these states exceed the Florida salary level. The average

¹⁴ MGT, *supra* at p. 3-5.

¹⁵ NCSL, *supra*.

¹⁶ This amount is based on the assumption that the \$88.66 per day stipend will be paid for 90 calendar days.

¹⁷ This amount is based on the assumption that the \$188.22 per day stipend will be paid for 60 legislative days.

¹⁸ MGT, *supra* at p. 3-3.

salary for similar “functional” states has grown about 70 percent from 1999 to 2015 while Florida’s legislator salary has grown roughly 12.5 percent during that same time period.

Table 3. Similar States based on Functionality

State	1999 Salary ¹⁹	2015 Salary ²⁰
Alabama	\$1,030	\$42,849
Alaska	\$24,012	\$50,400
Arizona	\$24,000	\$24,000
Arkansas	\$12,500	\$39,000
Louisiana	\$16,800	\$22,800
Mississippi	\$10,000	\$10,000
Nevada	\$7,800	\$17,555 ²¹
New Mexico	\$0	\$0
Oklahoma	\$38,400	\$38,400
Rhode Island	\$10,768	\$15,171
South Carolina	\$10,400	\$10,400
Washington	\$28,300	\$42,106
Average	\$15,334	\$26,057
Florida	\$26,388	\$29,697

III. Effect of Proposed Changes:

This bill resets, beginning July 1, 2016, the annual salary of the presiding officers and other members of the Florida Legislature to \$57,000 and \$50,000 annually, respectively. Beginning July 1, 2017, these amounts will be adjusted based on the average percentage increase in the salaries of state career service employees for the preceding fiscal year.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

¹⁹ Id. at p 3-4.

²⁰ NCSL, *supra*.

²¹ This amount is based on the assumption that the \$146.29 per day stipend will be paid for 120 calendar days.

V. Fiscal Impact Statement:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The fiscal impact of the salary adjustments, taking into account the salary, associated employer-paid federal tax liabilities, and the associated employer-paid Florida Retirement System contributions, is estimated to be roughly \$4.9 million annually from the General Revenue Fund.

VI. Technical Deficiencies:

None.

VII. Related Issues:

The \$50,000 annual salary proposed by this bill is comparable to the \$18,000 annual salary paid in 1985 and grown an average 3.35% annually through 2015.

VIII. Statutes Affected:

This bill substantially amends section 11.13 of the Florida Statutes.

IX. Additional Information:**A. Committee Substitute – Statement of Changes:**

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.