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COMPENSATION OF WISCONSIN LEGISLATORS

1836 to 1983

I. SUMMARY

The salary for all members of the 1983 Wisconsin Legislature will be \$22,632 per year. Legislators also receive up to \$30 a day for living expenses while in the capital on official business and a mileage rate of 21.5¢ a mile.

Members of the Senate received \$6,050 for the 1981 Legislature to cover general office expenses and a printing and postage allowance of \$13,100. Members of the Assembly received \$7,877.25 for general office expenses. See the table for the history of salary changes.

II. THE EVOLUTION OF PROCEDURES FOR ESTABLISHING LEGISLATIVE SALARIES

When Wisconsin became a territory in 1836, compensation for territorial legislators was set by Congress and paid by the Federal Government. Since Wisconsin achieved statehood in 1848, procedures for determining legislative salaries have progressed through 4 distinctly different phases. 1) Originally, salaries were set by Article IV, Section 21, of the Wisconsin Constitution; any subsequent change in legislative salaries required a constitutional amendment. 2) In 1929 this constitutional provision was repealed, and the level of legislative pay was specified by statutory provision. 3) This procedure was used until 1965, when legislators' salaries were placed in a classification system along with those of certain other state officials and received final approval by a legislative committee. 4) In 1977 the Legislature modified the procedure by requiring the salary of elected officials to be set by enactment of a bill submitted by the Joint Committee on Employment Relations.

Since enactment of the classification system in 1965, the following changes in procedures have been made.

Joint Committee on Finance Approval

Chapter 592, Laws of 1965, classified the top administrators of state agencies into 5 groups and set the minimum-maximum salary range for each group. The basic salary for legislators was set at the Group 5 minimum. The law provided that all salaries included in the 5 groups be established and reviewed in the same manner as the salaries of state employes in the classified service. Thus, legislative salaries were included in a salary plan submitted by the director of the Bureau of Personnel, with the counsel of the Board of Personnel, to the Legislature's Joint Committee on Finance. The salary levels approved by the Joint Finance Committee became the state's official compensation plan. From 1965 to 1971, the Legislature participated in setting legislative salary levels

only through the Joint Committee on Finance, from 1971 to 1977, only through the Joint Committee on Employment Relations.

As passed by the Legislature, Chapter 592, Laws of 1965, included a provision for a legislative salary of \$9,600 beginning in the 1967 session. This provision was vetoed by Governor Warren P. Knowles. (See footnote 2 to the table). Knowles thought that legislative raises had not received enough study and said that the Bureau of Personnel would conduct studies of legislative salaries with help from the Wisconsin Committee on Improved Expenditure Management chaired by William Kellett. Research by the Kellett Committee into comparable salaries in private industry and the amount of time spent by legislators in performance of their official duties served as the basis for the salary increase to \$8,400 recommended by the Bureau of Personnel and approved by the Joint Committee on Finance under the procedure established by Chapter 592. This salary first applied to legislators elected in November 1966 for the 1967 session. The Bureau of Personnel also recommended establishment of a citizens committee to review future increases in legislators' salaries.

Legislative Compensation Council

Chapter 219, Laws of 1967, provided for a new initial stage in any legislative pay increase proposal by creating the Legislative Compensation Council, composed of 6 members appointed by the governor, to review biennially the established legislative salaries and submit recommendations to the director of the Bureau of Personnel and the Personnel Board. The Personnel Board, after reviewing the Compensation Council's pay plan, submitted the proposal to the Joint Committee on Finance with a recommendation for adoption or rejection. The Joint Finance Committee had the final voice in accepting or rejecting the plan but could not modify it in any way. Unless the council's recommendation was adopted by the Personnel Board and the Joint Finance Committee exactly as it was submitted, legislative salaries would remain at the level previously established.

Joint Committee on Employment Relations Approval

Chapter 270, Laws of 1971, altered the third review step in the procedure for determining legislative salaries by creating the Joint Committee on Employment Relations. This committee performs the functions relating to salaries previously carried out by the Joint Committee on Finance. The Joint Committee on Employment Relations was thus given the final voice in accepting or rejecting the pay plan submitted to it by the director of the Bureau of Personnel and, as before, the proposal had to be voted upon exactly as submitted. The committee is composed of 8 legislative leaders. These leaders include the president of the Senate, the speaker of the Assembly, the Senate and Assembly majority and minority leaders, and the Senate and Assembly cochairpersons of the Joint Committee on Finance.

Executive Salary Group Revision

Action by the 1973 Legislature revised the executive salary groups. Chapter 90, Laws of 1973, placed legislative salaries, as well as those of state constitutional officers and other state officials, in one of 10 executive salary groups under the general state compensation plan in the nonrepresented classified service. Section 20.923 (2) of the Wisconsin Statutes provides that the annual salary for state legislators shall be set at 65% of the midpoint of the salary range of executive salary group 2 in effect at the time of their taking the oath of office. Chapter 90 also abolished the Legislative Compensation

Council and gave the Joint Committee on Employment Relations the authority to modify proposals for legislative salary adjustments.

Thus, the system for setting legislative salaries in effect from 1973 to 1977 was as follows. The director of the Bureau of Personnel submitted his proposal for any changes in the compensation plan for state officials to the Personnel Board. After receiving advice and counsel from the board, the director then submitted the proposed changes in the compensation plan to the Joint Committee on Employment Relations, which held a public hearing on the proposal. The proposal, as modified by the committee, together with the unchanged provisions of the previous compensation plan, designated the salary level for all legislators who took their oath of office after the plan was approved. Any modification of the director's proposed changes in the compensation plan by the Joint Committee on Employment Relations could have been disapproved by the governor within 10 calendar days. A vote of 6 members of the committee was necessary to set aside any such disapproval of the governor.

Legislative Vote

Chapter 29, Laws of 1977, amended Section 20.923 (1), Wisconsin Statutes to require that the Joint Committee on Employment Relations submit a bill to a vote of the full legislature for all pay increases for elected officials and that such bill be enacted without amendment.

Chapter 196, Laws of 1977, created the Department of Employment Relations and transferred the Bureau of Personnel from the Department of Administration to the new department, where it became the Division of Personnel. The Personnel Board became an independent agency.

Current Procedure

Currently, the system for setting legislative salaries, as established by Chapter 29 and Chapter 196, Laws of 1977, is as follows. The secretary of employment relations submits proposed changes in the compensation plan for elected officials to the Joint Committee on Employment Relations for approval. The proposed salary adjustments are introduced by the committee as a bill and submitted to a vote of each of the 2 houses, which must pass the bill without change. The salary level so established is effective for all legislators who take the oath of office after the compensation plan receives final approval.

The Legislature has authorized legislative pay increases under this procedure twice, through Chapter 114, Laws of 1977, and Chapter 47, Laws of 1979. Although most legislators did not receive the raises stipulated by these laws until after they were reelected or elected to office because of the constitutional prohibition against raises during a term of office, the 2 laws provided for pay increases in 2 steps, on July 1 of each year of the biennium to match the dates on which other state employees in the executive salary groups received raises. Since any legislator elected in a special election after one of the dates specified in the 2 laws would receive the raise specified by that law, a few legislators may have received salaries in between the steps indicated in the table from the time of their special election until the next general election.

No legislative pay increase was authorized in the 1981 session. 1981 Senate Bill 691 and Assembly Bill 951 proposed raising legislative salaries by 7% when the bill passed and by 7% on July 1, 1982, but both measures died. As a result, beginning with the 1983 session legislative salaries will no longer be at 65% of the midpoint of executive salary group 2 as described in Section 20.923 (2) (b), Wisconsin Statutes, since appointed executives received raises in 1981 and 1982.

A Compensation Study Committee was created in 1982 (Chapter 388, Laws of 1981) to examine the compensation, tax laws and related matters affecting the

compensation of elected state officials. The committee, which is to report by February 15, 1983, is composed of the Secretary of Employment Relations, one designee of the Governor, the Chief Justice of the Supreme Court, each Cochairperson of the Joint Committee on Employment Relations, and the majority leaders and minority leaders of each house of the Legislature.

III. SPEAKER'S STIPEND

Statute Section 13.121 (3) provides that the speaker of the Assembly receives an additional \$25 per month for his services.

IV. PER DIEM AND TRAVEL

Legislators have received an allowance of not exceeding \$30 for expenses incurred for food and lodging for each day in Madison on legislative business since 1977. Per diem may not be paid for Saturday or Sunday unless the Legislature is actually in session and the legislator is in attendance or unless the legislator is attending a meeting of a standing committee of which the legislator is a member. Each legislator files an affidavit with the chief clerk certifying the specific dollar amount he or she should receive.

Legislators receive a travel allowance for transportation expenses incurred in going to and returning from the Capitol once every week during any legislative session. The rate of reimbursement is the same as that provided for state officers and employes under Section 20.916, Wisconsin Statutes. Beginning on July 1, 1982, the rate was set at 21.5¢ per mile.

Chapter 317, Laws of 1981, adopted the provisions of the U.S. Internal Revenue Code for certain deductions from gross income. This action allows legislators to deduct the difference between their daily living expenses (per diem) and the federal expense account allowance for Madison. The federal expense account allowance is \$61 and the state per diem for legislators is \$30 a day. Legislators who live more than 50 miles from Madison may deduct the difference from their gross income.

V. HISTORY OF WISCONSIN LEGISLATIVE SALARIES

The following table outlines the chronological development of the salary and expense allowance of members of the Wisconsin Legislature from territorial days to the present time. "Expenses" includes room, board and mileage allowances, but excludes other allotments and fringe benefits. It should be noted that any change in legislative salary, but not expense allowances, is subject to the limitation provided in the Wisconsin Constitution, Article IV, Section 26, "...nor shall the compensation of any public officer be increased or diminished during his term of office..." This means that a legislator must serve out the term for which he is elected at the salary in effect when he took office. A legislator receives the new salary upon taking the oath of office after his reelection. Senate terms are 4 years, and representatives to the Assembly are elected to 2-year terms. All of the Assembly and approximately one-half of the Senate are elected every 2 years.

HISTORY OF WISCONSIN LEGISLATIVE SALARIES

Citation or Year Action Taken	Year Change Effective	Salary	Expenses	Travel	Comments
1836. Set by Congress	1836	\$3 for each day's attendance		\$3 for each 20 miles of round trip traveled to and from Capitol	Compensation for territorial legislators set by Congress and paid by U.S. Government
1848 Wis. Constitution, Art. IV, Sec. 21	1848	\$2.50 for each day's attendance		10¢ a mile for 1 trip to Capitol	No extra compensation for special sessions
Wis. Con., Art IV, Sec. 21, as amended Nov. 1867	1867	\$50 per year		Same as above	
Wis. Con., Art. IV, Sec. 21, as amended Nov. 1881	1883	\$500 per 2-year session		10¢ per mile for 1 round trip to each regular and special session	Constitutional amendment provided for biennial legislative sessions and increased terms for legislators (Senate-4 years; Assembly-2 years).
Chapter 427, Laws of 1929	1931	\$1,200 per year; \$25 per month extra for Assembly Speaker		Same as above	Constitutional provision repealed in April 1929. Vote: 237,250 for, 212,846 against repeal. Salary to be set by statute.
Chapter 584, Laws of 1945		Same as above	\$100 per month room and board allowance for first 6 months of regular session and first 2 months of special session	3¢ a mile for each weekly Capitol round trip during each regular session (in addition to initial round trip at 10¢ per mile rate)	Chapter 584 enacted over Governor Goodland's veto
Chapter 405, Laws of 1949 (salary)	1951	\$2,400 per year	Not to exceed \$100 per month room and	6¢ a mile travel allowance for first 2,000 miles in	Chapter 410 tied legislative mileage allowance to statute

Citation or Year Action Taken	Year Change Effective	Salary	Expenses	Travel	Comments
Chapter 410, Laws of 1949 (travel)			board allowance	any one month and 5¢ a mile for any added mile- age in month (beyond initial 10¢ a mile round trip)	provision applicable to all state officers and employes
Chapter 1, Laws of 1955 (expenses) Chapter 453, Laws of 1955 (travel)		Same as above	\$100 per month room and board allowance reestab- lished for any regular or special session	7¢ a mile travel allowance for first 2,000 miles in any 1 month; 6¢ a mile for any added mileage in month (beyond initial 10¢ a mile round trip)	
Chapter 573, Laws of 1957	1959	\$3,600 per year	\$175 per month room and board allowance for any regular or special session		\$75 per month interim expense allowance vetoed. Veto sustained
Chapter 225, Laws of 1963	1965	\$5,400 per year	\$15 a day living expenses for each day in attendance, but not to exceed 110 days for regular session or 20 days for special session		An allowance for interim expenses while Legislature was not in session was instituted, the amount to be determined by the size of the area represented ¹
Chapters 72, 163 and 433, Laws of 1965 (expenses only). Salary increase based upon recommendation of Bureau of Personnel and not voted on by entire Legislature	1967	\$8,400 per year	\$15 per day living expenses, but not to exceed 110 days for any regular or special session		The 1965 Legislature passed a bill raising the salaries of members to \$9,600. After the Governor vetoed the bill, the Joint Finance Committee approved a recommendation of the Bureau of Personnel and set legislative salaries at \$8,400 per year. ²
Ch. 310, Laws of 1967 (expenses only). Salary	1969	\$8,900 per year	\$15 per day living expenses with no time	10¢ a mile travel allow- ance for first 400 miles	

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Citation or Year Action Taken	Year Change Effective	Salary	Expenses	Travel	Comments
increase based on recom- mendation by Legislative Compensation Council and not voted on by entire Legislature. Ch. 154, Laws of 1969 (travel)			limit for regular or special sessions.	in any one month and 7¢ a mile for any added mileage in month (beyond initial 10¢ a mile round trip	
Ch. 13, Laws of 1971 (expenses). Salary approved by Joint Committee on Employment Relations in 1972	1973	\$9,900 per year	\$20 per day living expenses with no time limit for regular and special sessions.	Complete reimbursement for one weekly round trip by "any convenient public transportation", or mileage reimbursement.	
Chapters 1, 51, and 90, Laws of 1973	1975	\$15,681 per year	\$25 per day living expenses with no time limit for regular or special sessions. Legislators choosing not to establish a temporary residence at capital may receive 1/2 the amount	11¢ per mile travel al- lowance for the first 500 miles per month and 7¢ per mile for added mileage. Effec- tive 7/1/74, the rate was set at 11¢ per mile for the first 600 miles per month and 7¢ per mile for additional miles.	The interim expense allowance established in 1963 was modified to provide a flat rate of \$25 per month for Assembly- men and \$75 per month for Senators.
Ch. 39, Laws of 1975 (expenses). Salary approved by Joint Committee on Employ- ment Relations on June 19, 1975 Ch. 189, Laws of 1975 (mileage)	1977	\$17,843 per year	Legislators whose permanent residence is in the capital may claim 1/2 of the \$25 per day living expense allowance.	14¢ mileage allowance for one round trip between the Capitol and member's home, effec- tive Oct. 1, 1975.	A specific mileage allowance was removed from the statutes. Rate to be set by Dept. of Administra- tion for all employes.
Ch. 114, Laws of 1977 (salary), Ch. 115, Laws of 1977 (expenses)	1979	\$19,767 per year	Not exceeding \$30 per day for living expen- ses, effective 10/28/77. Legislator files an affidavit certifying a specified amount within the	15-1/2¢ per mile mile- age, effective 7/1/78. 17¢ per mile effective 7/1/78.	A 5% raise on October 18, 1977 (the effective date of the la and a 5.5% raise on July 1, 1978 increased the salary to \$19,767 in January 1979, when most legislators first receive the raise due to the constitu



Citation or Year Action Taken	Year Change Effective	Salary	Expenses	Travel	Comments
			authorized rate.		tional prohibition against raises during a term of office.
Ch. 47, Laws of 1979 (salary)	1981	\$22,638 per year	Same as above	18¢ per mile mileage, effective 7/1/79. 19¢ per mile, effective 7/1/80. 20-1/2¢ per mile, effective 7/1/81. 21-1/2¢ per mile, effective 7/1/82	7% on September 20, 1979 (the effective date of the law) and 7% on July 1, 1980.

¹\$25 per month for representatives to the Assembly whose districts comprise 1 county or less, plus \$15 per month for each additional county or part thereof in the district. \$40 per month for senators whose district is 1 county or less plus \$20 per month for each additional county or part thereof in the district.

²The bill passed by the Legislature classified the top administrators of state agencies into 5 groups and set the minimum-maximum salary range for each group. Members of the Legislature were included in Group V, the \$9,600-\$14,500 range, with the stipulation that the basic salary for legislators should be the Group V minimum and that the salary of certain legislative leaders during their term of office should be equivalent to the midpoint of the range (Sections 5 and 13, Chapter 592).

The Governor vetoed the \$9,600 basic minimum for Group V, as well as the provision for a higher salary for legislative leaders. Following the veto, the Joint Finance Committee and the Bureau of Personnel took action under the authorization of Sections 1 and 5 of Chapter 592. Section 5 provided that salaries of the 5 groups of department head positions, including the Legislature in Group V, should be reviewed and established in the same manner as the salaries of state employees in the classified service. Section 1 amended Section 16.105 (4) of the statutes so that the Joint Finance Committee received authority to modify standard salary range proposals submitted by the Bureau of Personnel, revise standard salary ranges, reassign classes to salary ranges and approve features required to implement such revisions and assignments.

The Joint Finance Committee approved Recommendation 1 of the Kellett Committee and the Bureau of Personnel that "the base salary for members of the Wisconsin Legislature shall be \$8,400 per year, effective January 1967, and that the \$8,400 will become the minimum of Group V salary range", and so informed the Governor. This action of the Joint Finance Committee was the final official step in establishing the legislators' basic salaries for the 1967-68 biennium.

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VI. RETIREMENT PROVISIONS

Legislators have been authorized to participate in the Wisconsin Retirement Fund since 1957. Legislation enacted in 1957 provided that legislators could be brought under the existing retirement system and extended its benefits on a strictly optional basis. Prior service was credited to legislators serving in the 1957 Legislature who elected to join the system within a stipulated 90-day enrollment period. Chapter 288, Laws of 1973, made membership compulsory for members serving after January 1, 1974.

There is no compulsory retirement age for legislators. They may serve past the normal retirement age of 62 as long as they are reelected to office. The minimum retirement age is 55, but a member must be out of office to receive benefits. Annuities starting before the normal retirement age of 62 are at a reduced rate. If a legislator retires, begins drawing benefits, and then subsequently enters a state job, or is reelected to office, the legislator may continue to draw a portion of retirement benefits until earnings from the state job reach one-half of the final average earnings (indexed) upon which the annuity was originally calculated.

There is no requirement of a minimum number of years of service before a legislator becomes eligible for retirement benefits, but benefits are based on a formula which includes the number of years of service. The formula consists of a "formula factor" of 1.8% (which is higher than the formula factor of 1.3% used for most state employes) times years of service, times final average earnings. Final average earnings for an elected official are based on the salary the official earned during the last complete month in office. If an official did not receive a raise because of the constitutional prohibition against receiving a raise during a term of office, the salary the official would have received were it not for the prohibition is used to determine final average earnings. The benefit paid by the Wisconsin Retirement Fund together with Social Security benefits may not exceed 85% of the final average earnings.

The rate of employe contributions to the Retirement Fund is the same for members of the Legislature, the judiciary and all constitutional officers. The current rate is 5.5% of salary, but 4% of the contribution is paid by the state and credited to the employe's accumulation account so that only 1.5% comes directly out of the employe's check.

In addition to an annuity, the Wisconsin Retirement Fund provides a death benefit which may be paid either in cash or as a beneficiary annuity. The amount of the death benefit is equal to the accumulated normal and additional credits of the participant on the day of death.

VII. OFFICE ALLOTMENTS

The Committee on Assembly Organization authorized for each representative a \$7,877.25 office allowance for the 1981-1982 biennium. This allotment could be used for postage and printing, telephone credit cards, telephone answering service, newspapers and other miscellaneous items.

If more than the limit is spent, the representative is obliged to pay the difference out of his or her own pocket. If a representative does not spend the full allotment, the remaining funds revert to the general fund.

State senators were provided a \$6,050 biennial office allowance for general expenses in the 1981-1982 session. Senators also receive an allowance of \$13,100 for printing and postage for the biennium.

VIII. INTERIM ALLOWANCE

Chapter 225, Laws of 1963, created an interim allowance for legislators' office expenses for months when the Legislature was not in session. The original allowance was \$25 for representatives and \$40 for senators. Each received a larger allowance if the district covered more than one county. Chapter 1, Laws of 1973, revised the interim allowance to its current level of \$25 for representatives and \$75 for senators.

IX. SOURCES

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