A-Engrossed House Bill 2597

Ordered by the House June 3 Including House Amendments dated June 3

Introduced and printed pursuant to House Rule 12.00. Presession filed (at the request of House Interim Committee on Judiciary for Oregon Circuit Court Judges Association and Oregon Judicial Department)

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure.

Provides that Legislative Assembly is to determine annual salary for offices of state Senator and state Representative. Directs Public Officials Compensation Commission to make recommendations on salaries of elected officials, including state Senators and state Representatives. [Requires Governor to include recommendations in Governor's budget report. Directs Legislative Assembly to consider recommendations in adopting state budget.]

Applies to salaries established for biennia beginning on or after July 1, 2015.

A BILL FOR AN ACT

- Relating to the determination of public official salaries; creating new provisions; and amending ORS 171.072, 292.912 and 292.930.
- Be It Enacted by the People of the State of Oregon:
 - **SECTION 1.** ORS 171.072 is amended to read:
- 6 171.072. (1) A member of the Legislative Assembly shall receive for services an annual salary [of the greater of:]
 - [(a) One step below the maximum of Salary Range 1 in the Management Service Compensation Plan in the executive department as defined in ORS 174.112; or]
 - [(b) Seventeen percent of the salary of a Circuit Court Judge] determined as provided under ORS 292.907 to 292.930.
 - (2) The President of the Senate and the Speaker of the House of Representatives each shall receive for services, as additional salary, an amount equal to the salary allowed each of them as a member under subsection (1) of this section.
 - (3) A member of the Legislative Assembly shall receive, as an allowance for expenses not otherwise provided for, a per diem determined as provided in subsection (9) of this section for each day within the period that the Legislative Assembly is in session, to be paid with the salary provided for in subsection (1) of this section. Pursuant to procedures determined by the Legislative Administration Committee, a member may draw from an accrued allowance.
 - (4) A member of the Legislative Assembly shall receive, as an allowance for expenses incurred in the performance of official duties during periods when the legislature is not in session, \$400 for each calendar month or part of a calendar month during those periods, to be paid monthly, and subject to approval of the President of the Senate or Speaker of the House of Representatives, mileage expenses and a per diem determined as provided in subsection (9) of this section for each day a member is engaged in the business of legislative interim and statutory committees, including

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advisory committees and subcommittees of advisory committees, and task forces and for each day a member serves on interstate bodies, advisory committees and other entities on which the member serves ex officio, whether or not the entity is a legislative one.

- (5) In addition to the mileage and per diem expense payments provided by this section, a member of the Legislative Assembly may receive reimbursement for actual and necessary expenses, subject to approval by the President of the Senate or Speaker of the House of Representatives, for legislative business outside of the state.
- (6) The President of the Senate and the Speaker of the House of Representatives may delegate to the chairpersons of interim and statutory committees and task forces the approval authority granted to the President and the Speaker by subsection (4) of this section, with respect to expenses incurred in attending any meeting of a particular committee or task force.
- (7) Amounts received under subsections (3) to (5) of this section are excluded from gross income and expenditures of the amounts are excluded in computing deductions for purposes of ORS chapter 316. If there is attached to the personal income return a schedule of all ordinary and necessary business expenses paid during the tax year as a member of the Legislative Assembly, a deduction may be claimed on the return for legislative expenses paid in excess of the amounts received under subsections (3) to (5) of this section. Expenses of members of the Legislative Assembly who are reimbursed by the state for actual expenses for meals and lodging associated with state travel for the same period during which a legislator receives per diem are subject to state income tax.
- (8) For periods when the Legislative Assembly is not in session, the Legislative Administration Committee shall provide for a telephone and an expense allowance for members of the Legislative Assembly that is in addition to the amount allowed under subsection (4) of this section. In determining the amount of allowance for members, the committee shall consider the geographic area of the member's district. The additional allowance shall reflect travel expenses necessary to communicate in districts of varying sizes.
- (9) The per diem allowance referred to in subsections (3) and (4) of this section shall be the amount fixed for per diem allowance that is authorized by the United States Internal Revenue Service to be excluded from gross income without itemization.

SECTION 2. ORS 292.912 is amended to read:

- 292.912. (1) The Public Officials Compensation Commission shall review and make recommendations to the Legislative Assembly regarding the amount of the annual salary to be paid to each elective officer subject to ORS 292.907 to 292.930 [and all compensation of members of the Legislative Assembly] for the succeeding biennium.
 - (2) The commission shall establish the salary recommendations based upon the following criteria:
 - (a) Comparable positions in neighboring states.
 - (b) The qualifications and skills necessary for each office.
 - (c) The level of responsibility implicit in each office.
 - (d) The cost of living.
 - (e) The total compensation of the positions, including benefits other than salary.
- (f) Budget limitations.

- (g) Any other factors the commission may consider to be reasonable, appropriate and in the public interest.
- (3) The commission shall cause to have prepared legislative measures that would implement the commission's recommendations on salaries of officers subject to ORS 292.907 to 292.930 [and all compensation of members of the Legislative Assembly] for the succeeding biennium.

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1 SECTION 3. ORS 292.930 is amended to read: 2 292.930. Each of the following elective officers shall be paid an annual salary on a monthly basis 3 as determined by the Legislative Assembly each biennium: (1) Governor. 4 5 (2) Secretary of State. (3) State Treasurer. (4) Attorney General. (5) Commissioner of the Bureau of Labor and Industries. (6) Chief Judge of the Court of Appeals. (7) Court of Appeals Judge. 10 11 (8) Chief Justice of the Supreme Court. 12 (9) Supreme Court Judge. (10) Circuit Court Judge. 13 (11) Tax Court Judge. 14 15 (12) State Senator. 16 (13) State Representative. SECTION 4. The amendments to ORS 171.072, 292.912 and 292.930 by sections 1 to 3 of this 17 18 2013 Act apply to salaries established for biennia beginning on or after July 1, 2015.

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