BILL SUMMARY OF S.224:

An act relating to compensation and benefits for members of the Vermont General Assembly

<u>Purpose</u>: S.224, an act relating to compensation and benefits for members of the Vermont General Assembly, will...

- 1. Enable legislators to participate in any flexible spending account program offered to State employees for health care and dependent care expenses, but *not* State health insurance.
- 2. Base legislators' compensation on the mean Vermont wage.
- 3. Provide annual compensation to the Speaker and Pro Tempore, chairs of the standing committees of the House and Senate, and majority and minority leaders.
- 4. Provide legislators compensation for up to 20 days of work during adjournment.
- 5. Allow legislators to choose whether to receive their payments for meals and lodging expenses as an allowance, which may be treated as income subject to tax for federal and State income tax purposes or as reimbursement of actual expenses, which may be excluded from income for federal and State income tax purposes.
- 6. Provide a stipend for members-elect to attend orientation programs.
- 7. Expand the legislative leave of absence law to allow members to take a leave of absence from any job, not only a full-time job, in order to serve in the General Assembly.
- 8. Create the temporary Legislative Service Working Group to consider and make recommendations on issues involving legislative compensation and benefits, staffing, administrative support, the length of the legislative session, and equalizing the number of members per legislative district in each House.

PART ONE: Flex Spending and Employee Assistance Programs. (Sec. 1)

<u>Sec. 1</u> amends <u>3 V.S.A. § 631</u> ("Group Insurance For State Employees; Salary Deductions For Insurance, Savings Plans, And Credit Unions") to enable legislators to access any employee assistance program offered to State employees and any flexible spending account program offered to State employees for health care or dependent care expenses, or both. Legislators would <u>not</u> be eligible for the state health insurance plan.

PART TWO: Compensation and Expenses. (Sec. 2-3)

<u>Sec. 2</u> amends <u>32 V.S.A. § 1051</u> (to read "Speaker of The House and President Pro Tempore of the Senate; <u>Chairs of the Standing Committees of the House and Senate; Majority and Minority</u> Leaders; Compensation and Expense Reimbursement.") by:

<u>Subsection (a)</u> modifies compensation for the **Speaker** of the House and **President Pro Tempore** of the Senate:

Annual Compensation is changed from a fixed sum (\$10,080 for the 2005 Biennial Session, adjusted annually) to 30% of the mean Vermont wage.

- Regular session compensation is changed from a weekly rate of \$652 (for the 2005 Biennial Session, adjusted annually) to 1/52 of 130% of the mean Vermont wage.
- <u>Special session compensation</u> is added and will be 1/5 portion of the regular session weekly adjusted compensation for each day of a special session.
- Additional compensation during adjournment is added and will be 1/5 of the regular session weekly compensation for up to 20 additional days of work in their official capacity. This would include work for attending meetings requested by other State officials, professional development, their community meetings, and providing assistance or services to a constituent of their district, *but not for* activities conducted for the purpose of influencing an election, advocating a position on a public question, supporting or opposing one or more candidates, or organizing a political party.
- Expenses are unchanged.

<u>Subsection (b)</u> modified compensation for **Chairs of Standing Committees** and **Majority and Minority Leaders**.

- Annual compensation is added and will be 10% of the mean Vermont wage.
- Regular session compensation is added and will be a weekly salary equal to 1/52 of 110% of the mean Vermont wage.
- <u>Special session compensation</u> is added and will be 1/5 portion of the regular session weekly adjusted compensation for each day of a special session.
- Additional compensation during adjournment is added and will be 1/5 of the regular session weekly compensation for up to 20 additional days of work in their official capacity. This would include work for attending meetings requested by other State officials, professional development, their community meetings, and providing assistance or services to a constituent of their district, *but not for* activities conducted for the purpose of influencing an election, advocating a position on a public question, supporting or opposing one or more candidates, or organizing a political party.

<u>Subsection (c)</u> limits who can receive what compensation to prevent 'stacking.' The Speaker of the House and President Pro Tempore of the Senate *cannot* be compensated for their role as Speaker or Pro Temp *and* a committee chair or majority/minority leader. Likewise, a legislator may only be compensated as chair of a standing committee *or* as a majority/minority leader, not both.

<u>Sec. 3</u> amends <u>32 V.S.A. § 1052</u> ("Members of the General Assembly; Compensation and Expense Reimbursement") to modify compensation for **Representatives and Senators**.

<u>Subsection (a)</u> addresses compensation during regular sessions, special sessions, and adjournments.

Regular session compensation is changed from a weekly rate of \$589.00 (for the 2005 Biennial Session, adjusted annually) to 1/52 of the mean Vermont wage. Note: The Speaker and Pro Temp cannot be compensated for both their position and as a regular legislator.

- <u>Special session compensation</u> is added and will be 1/5 portion of the regular session weekly adjusted compensation for each day of a special session.
- Additional compensation during adjournment is added and will be 1/5 of the regular session weekly compensation for up to 20 additional days of work in their official capacity. This would include work for attending meetings requested by other State officials, professional development, their community meetings, and providing assistance or services to a constituent of their district, *but not for* activities conducted for the purpose of influencing an election, advocating a position on a public question, supporting or opposing one or more candidates, or organizing a political party.

Subsection (b) addresses expenses.

- Mileage is unchanged.
- <u>Meals</u> are altered so that legislators may opt to receive either a meals allowance *or* reimbursement of actual meal expenses. The allowance is the default.
 - o Meals allowance is unchanged.
 - o <u>Meals reimbursement</u> option is added. Legislators who opt-in may receive reimbursement for actual expenses capped at per diem rates.
- <u>Lodging</u> is altered so that legislators may opt to receive either a lodging allowance *or* reimbursement of actual lodging expenses. The allowance is the default.
 - o <u>Lodging allowance</u> is unchanged.
 - o <u>Lodging reimbursement</u> option is added. Legislators who opt-in may receive reimbursement for actual expenses capped at per diem rates.
- Absence accommodations are added. If a legislator is absent for reasons other than sickness or legislative business for one or more entire days while in session, the legislator shall *not* receive or be reimbursed for mileage, meals, or lodging expenses incurred during the period of that absence, *except* that lodging expenses associated with a lease or rental agreement may be received or reimbursed upon approval of either the Speaker or Pro Temp.

<u>Subsection (c)</u> creates an orientation stipend for **members-elect** and will be 1/5 portion of the regular session weekly adjusted compensation for each day of attendance at an orientation program for new legislators organized by the General Assembly and its staff.

PART THREE: Legislative Leave from Employment. (Sec. 4)

<u>Sec. 4</u> amends <u>21 V.S.A. § 496</u> ("Legislative Leave") so that a person leaving any position---no longer just a full-time position---to serve as a legislator shall be entitled to a temporary or partial leave of absence. That employee would now provide notice within 14 days of being elected, rather than within 10 days after filing to run in a primary or general election.

PART FOUR: Legislative Service Working Group. (Sec. 5)

<u>Sec. 5</u> creates a "Legislative Service Working Group" that will consider and make recommendations on issues involving legislative compensation and benefits, staffing, administrative support, the length of the legislative session, and the number of members in each House and number of members per district, including:

- (1) the current compensation and benefits offered to legislators, including:
 - (A) whether current salaries and benefits, including those added or increased by this act, are sufficient and, if not, how they should be increased;
 - (B) the impact of current salaries and benefits, including those added or increased by this act, on recruiting and retaining members from diverse backgrounds and life experiences;
 - (C) an implementation plan and proposed budget to make members eligible for State health plans; and
 - (D) whether members should be offered additional benefits, including reimbursement of health, child, dependent, and elder care expenses;
- (2) whether changes to staffing are necessary, such as increasing the number of legislative staff in existing staff offices, expanding the types of legislative staff services available to members, adding caucus staff, and adding personal staff or providing members with an allowance to hire their staff;
- (3) how to increase the administrative support available to members to increase their effectiveness and ability to respond efficiently to the needs of their constituents;
- (4) whether changes should be made to the length or structure of the legislative session;
- (5) whether the number of members in each House should be decreased to offset increases in compensation, benefits, and staffing; and
- (6) whether the number of members for each representative district should be the same and whether the number of members for each senatorial district should be the same for the purpose of equalizing the number of constituents per representative in each House in order to better balance the constituent services obligations and workloads of members.

PART FIVE: Effective Dates. (Sec. 6)

<u>Sec. 6</u>. The effective date is January 1, 2025, for all portions of the bill, except Sec. 5 regarding the Working Group) will take effect on passage.