

**Research Plan: Senate Joint Resolution 463, Legislative Compensation**

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Deputy Executive Director Approval: Initial:  Date: 4/14/16

Executive Director Approval: Initial:  Date: 4/18/2016

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**Purpose**

To study the adequacy of Tennessee’s legislators’ salaries and compensation.

**Background**

Senate Joint Resolution 463 by Senator Mae Beavers directs the Commission to conduct a survey of Tennessee’s surrounding states and compare the 2015-2016 legislative compensation to that of Tennessee’s General Assembly to determine whether Tennessee legislators are being adequately compensated and fully reimbursed for expenses. The resolution directs the Commission’s executive director to report the results to the Speakers of the Senate and House and the Finance, Ways, and Means Committees by January 1, 2017.

Compensation for Tennessee state legislators is currently \$20,884 per year except for the speakers of the Senate and the House of Representatives, who receive \$62,652 per year. Legislators also receive a \$1,000 stipend per month to cover costs of operating a district office. In addition to salary and the stipend, General Assembly members receive \$204 for each day they are in session, which covers the expense of food, incidentals, and lodging. Members living 50 miles or less from the Capitol, however, are not compensated for lodging and receive a per diem allowance of only \$59. Legislators also receive state employee benefits such as health insurance, life insurance, and retirement. Article II, Section 23, of the Tennessee State Constitution gives authority to the General Assembly to increase or decrease the amount of compensation and expense reimbursement but no increase or decrease may take effect until the following session. Article II, Section 23, also provides that no member shall be paid expenses or travel allowances for more than 90 legislative days of a regular session nor more than 30 days for any extraordinary sessions.

**Step 1. Define the Problem**

Whether members of Tennessee’s General Assembly are adequately and fairly compensated.

## **Step 2. Assemble Some Evidence**

- Review committee hearings on the resolution and summarize comments and concerns of committee members, the bill sponsors, and others speaking for or against the bill. Interview the sponsors, bill proponents, and other stakeholders to determine what is driving this issue.
- Review similar bills and reports from past general assemblies to identify related issues.
- Review current case law, the Tennessee Constitution, attorney generals' opinions, and related statutes.
- Review factors that contribute to Tennessee's legislators' compensation.
- Review characteristics of Tennessee's contiguous states to determine comparability. Consider factors such as population, geography, size of legislative districts, length of legislative session, whether legislatures meet annually or biennially, and whether compensation differs for senators and representatives or for leadership positions.
- Beginning with applicable National Conference of State Legislatures (NCSL) reports, review legislative compensation laws and policies in other states. For contiguous states, review salary, per diem and mileage reimbursement rates, automatic adjustments, and any other factors affecting legislative compensation.
- Review literature and seek opinions of subject matter experts.

## **Step 3. Construct Alternatives**

Alternatives will be based on

- current law
- best practices of other states, and
- any additional alternatives drawn from the research and analysis in Step 2.

Each alternative will be described specifically enough to project outcomes in Step 5.

## **Step 4. Select Criteria**

- Cost to
  - public
  - members of the General Assembly
- Fairness to
  - public
  - members of the General Assembly
- Constitutionality

- Estimate receptiveness of
  - public
  - members of the General Assembly

#### **Step 5. Project Outcomes**

- Estimate costs
- Estimate the acceptability to the public and to members of the General Assembly.

#### **Step 6. Confront Trade-offs**

- How will the current law and the other alternatives affect taxpayers and members of the General Assembly?
- What are the pros and cons of the potential solutions?

#### **Step 7. Decide which alternatives to present to the Commission**

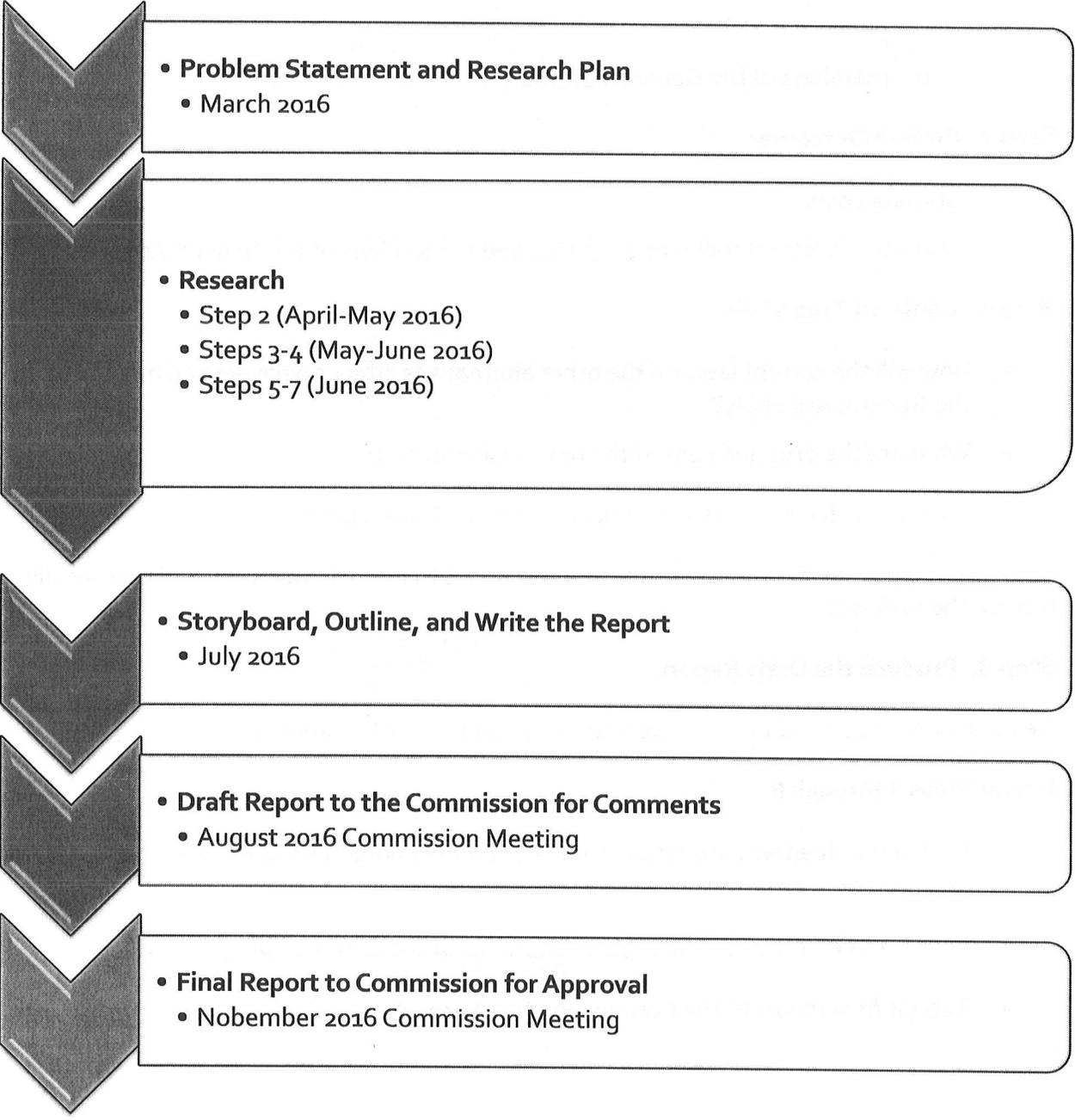
Based on the results of Step 6, choose the alternatives that most practically and realistically resolve the problem

#### **Step 8. Produce the Draft Report**

Develop and present a draft for review and comment to the Commission

#### **Revisit Steps 5 through 8.**

- Respond to feedback from Commission regarding outcome projections, trade-offs, and selection of alternatives
- Revise and edit the draft to reflect comments of the Commission
- Submit final report to the Commission for approval



SENATE JOINT RESOLUTION 463

By Beavers

A RESOLUTION relative to the compensation of members of the General Assembly.

BE IT RESOLVED BY THE SENATE OF THE ONE HUNDRED NINTH GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE HOUSE OF REPRESENTATIVES CONCURRING, that the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) is directed to conduct a survey on salary, per diem reimbursement rates, mileage reimbursement rates, and other expenses paid to members of legislative bodies in states bordering Tennessee during fiscal year 2015-2016 and compare such data to like categories of compensation and reimbursement paid to members of the Tennessee General Assembly during that same period for the purpose of determining if Tennessee legislators are being adequately compensated and fully reimbursed for expenses.

BE IT FURTHER RESOLVED, that the executive director of TACIR shall report the results of such survey and analysis to the Speaker of the Senate, the Speaker of the House of Representatives, and the Finance, Ways and Means committees of the Senate and House of Representatives prior to January 1, 2017.

BE IT FURTHER RESOLVED, that a certified copy of this resolution be transmitted to the executive director of TACIR.



TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SJR 463

February 7, 2016

**SUMMARY OF BILL:** Directs the Tennessee Advisory Commission on Intergovernmental Relations (TACIR) to conduct a survey on salary, per diem reimbursement rates, mileage reimbursement rates, and other expenses paid to members of the legislative bodies in the states bordering Tennessee during FY15-16 and compare such data to like categories of the General Assembly to determine if members are being adequately compensated and fully reimbursed for expenses. Requires the Executive Director of TACIR to report the results of such survey to the Speaker of the Senate; the Speaker of the House of Representatives; and to the Finance, Ways and Means Committees of Senate and House of Representatives by January 1, 2017. Requires a copy of the resolution be transmitted to the Executive Director.

**ESTIMATED FISCAL IMPACT:**

NOT SIGNIFICANT

Assumptions:

- TACIR will conduct this survey and create a report within regular business hours utilizing existing staff; any increase in state expenditures is estimated to be not significant.
- Preparing and transmitting an appropriate copy of the resolution will not result in a significant fiscal impact and can be accommodated within the existing resources of the General Assembly without an increased appropriation.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista M. Lee".

Krista M. Lee, Executive Director

/jaw

SJR 463

