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INTRODUCTORY REMARKS

ASSEMBLY BILL 464

BY

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OPENING REMARKS OF A PERSONAL NATURE.

IT HAS NOW BEEN 18 YEARS SINCE THE LEGISLATURE LAST ADJUSTED THE SALARY PAID TO ITS MEMBERS. SINCE THAT LEGISLATIVE SESSION, WHICH WAS 1985, THE PURCHASING POWER OF THE DOLLAR HAS DECLINED BY 42 PERCENT. THIS MEANS THAT THE 1985 DOLLAR IS NOW WORTH 58 CENTS. AFTER 18 YEARS, IT IS TIME TO RECONSIDER THE SALARY OF OUR LEGISLATIVE MEMBERS IF WE ARE TO PRESERVE OUR "CITIZEN LEGISLATURE."

I DO NOT NEED TO REMIND ALL OF YOU THAT LEGISLATORS RECEIVE A SALARY OF \$130 PER DAY FOR ONLY THE FIRST 60 DAYS OF A REGULAR SESSION. THIS TRANSLATES TO \$7,800 OVER A TWO-YEAR PERIOD, THUS MAKING NEVADA'S STATE LEGISLATORS SOME OF THE LOWEST PAID IN AMERICA. IN A "CITIZEN LEGISLATURE" SUCH AS OURS, IT IS VITAL THAT MEMBERS' SALARIES ARE ADEQUATE TO ATTRACT POTENTIAL MEMBERS FROM ALL SEGMENTS OF OUR POPULATION.

ASSEMBLY BILL 464 WOULD ESTABLISH A FIVE-MEMBER COMMISSION TO REVIEW THE COMPENSATION OF LEGISLATORS. THE COMMISSION IS REQUIRED TO HOLD HEARINGS, RECEIVE

PUBLIC COMMENT, AND THEN DETERMINE THE PROPER LEVEL OF COMPENSATION FOR LEGISLATORS. THAT DETERMINATION MUST BE SUBMITTED TO THE STATE BUDGET DIRECTOR ON OR BEFORE OCTOBER 31 OF EACH EVEN-NUMBERED YEAR. FURTHER, THE BILL REQUIRES THE BUDGET DIRECTOR TO INCLUDE SALARIES RECOMMENDED BY THE LEGISLATIVE COMPENSATION COMMISSION IN THE BIENNIAL BUDGET PRESENTED TO THE GOVERNOR.

IN DETERMINING AN APPROPRIATE LEVEL OF COMPENSATION FOR LEGISLATORS, THE BILL REQUIRES THE COMMISSION TO CONSIDER:

1. THE CURRENT SALARIES OF PEOPLE WITH SIMILAR QUALIFICATIONS WHO ARE EMPLOYED BY THE STATE OF NEVADA AND THE PUBLIC SECTOR;
2. THE MINIMUM SALARY REQUIRED TO ATTRACT AND RETAIN EXPERIENCED AND COMPETENT PEOPLE;
3. THE AVERAGE NUMBER OF DAYS LEGISLATORS SERVE DURING THEIR TERMS, THE AMOUNT OF WORK REQUIRED WHEN THE LEGISLATURE IS NOT IN REGULAR SESSION, AND THE OPPORTUNITIES LEGISLATORS HAVE TO EARN ADDITIONAL INCOME FROM OUTSIDE SOURCES; AND
4. FACTORS PERTAINING TO THE RELATIVE PURCHASING POWER OF MONEY, SUCH AS THE CURRENT RATE OF INFLATION, THE AVERAGE COST OF LIVING IN THE STATE, AND CHANGES IN THE *CONSUMER PRICE INDEX*.

IT SHOULD BE NOTED THAT ANY INCREASE OR DECREASE IN LEGISLATIVE COMPENSATION THAT IS APPROVED BY THE LEGISLATURE IS NOT EFFECTIVE UNTIL AFTER THE REELECTION OF A SITTING SENATOR OR ASSEMBLYMAN. THEREFORE, IF A.B. 464 IS APPROVED IN 2003, THE 2005 BUDGET WOULD BE THE FIRST TO REFLECT NEW LEGISLATIVE SALARIES, WHICH WOULD NOT BECOME EFFECTIVE UNTIL AFTER THE 2006 ELECTIONS.

FINALLY, ASSEMBLY BILL 464 APPROPRIATES \$6,900 TO COVER THE SALARY, TRAVEL, AND PER DIEM EXPENSES OF MEMBERS OF THE COMPENSATION COMMISSION FOR THE UPCOMING BIENNIUM.

CONCLUDING REMARKS AS APPROPRIATE.

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