

CONFERENCE COMMITTEE REPORT BRIEF
HOUSE SUBSTITUTE FOR SENATE BILL NO. 229

As Agreed to April 6, 2023

Brief

House Sub. for SB 229 would establish a nine-member Legislative Compensation Commission (Commission) and require the Commission to study compensation, salary, and retirement benefits of legislative members; make recommendations on legislator retirement benefits; and set compensation and salary rates for legislators. The bill would also provide a process for appointment to the Commission, an initial legislator compensation study, initial compensation changes, and a method for the Legislature to reject the compensation rate set by the Commission.

Also, beginning January 1, 2025, and subject to appropriations, the bill would establish compensation rates for certain state officials, judges, and certain elected district attorneys that would be equal to a percentage of the salaries for a U.S. congressional member, a U.S. district judge, or a district judge.

The bill would be in effect upon publication in the *Kansas Register*.

Commission Composition and Appointment

The Commission would be composed of nine members who the bill would prohibit from being current members of the Legislature, legislative staff, or registered lobbyists. The members of the Commission would be appointed in the following manner:

- One former legislator appointed by the Speaker of the House;
- One former legislator appointed by the President of the Senate;
- One member appointed by the Speaker Pro Tem of the House;
- One member appointed by the Vice President of the Senate;
- One member appointed by the House Majority Leader;

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- One member appointed by the Senate Majority Leader;
- One member appointed by the House Minority Leader;
- One member appointed by the Senate Minority Leader; and
- One member appointed by the Governor.

All initial Commission members, excluding the Commission member appointed by the Speaker of the House, would be appointed by September 1, 2023.

The bill would require the initial Commission member appointed by the Speaker of the House to be appointed prior to August 1, 2023. This appointee would serve as the Commission's first chairperson, and the initial Commission member appointed by the President of the Senate would serve as the first vice-chairperson.

The bill would require the subsequent chairperson to be appointed by the President of the Senate prior to August 1, 2026, and the vice-chairperson to be appointed by the Speaker of the House prior to September 1, 2026. The bill would require new members of the Commission to be appointed in the year 2026 and every four years after. After 2026, the bill would allow for the chairperson and vice-chairperson appointments to alternate between the Speaker of the House and President of the Senate, beginning with the Speaker of the House appointing the Commission's chairperson. In each year a new commission is appointed, the bill would require the chairperson to be appointed by August 1 and the vice-chairperson to be appointed by September 1.

Any vacancy would be filled in the same manner as the original appointment, and members could be reappointed. A member's term would last until the Commission has completed its responsibilities to study legislative pay, set a compensation rate, and made recommendations related to retirement benefits.

Powers, Duties, and Responsibilities

The Commission would be authorized to:

- Study the compensation, salary, and retirement benefits of legislators;
- Set the rates of compensation and salary for members of the Legislature; and
- Make recommendations related to legislator retirement benefits.

The bill would state that the Commission appointed in the year 2026 and thereafter would be required to set the rate of compensation for legislators for the four-year period commencing on the first day of the next term of office of elected Senators by December 1 of the calendar year after the Commission's appointment.

The bill would require the Commission appointed in 2023 to establish a rate of compensation and salary by December 1, 2023, for legislators for a four-year period starting on the first day of the 2025 Legislative Session.

Compensation Rate Rejection Process

The bill would require the compensation rate and salary established by the Commission to become the rate of compensation and salary for legislators unless the Legislature rejects the rates through adoption of a concurrent resolution no later than 30 days after the start of a legislative session immediately following the submission of the compensation and salary rates. The concurrent resolution could contain a requirement for the Commission to meet within 14 days of the concurrent resolution's adoption and submit another compensation and salary rate prior to 30 days after adoption of the concurrent resolution. The Legislature would have until *Sine Die* to reject the second submitted compensation and salary rate. If the second compensation and salary rate is also rejected, the most current rate would remain in effect.

Meetings, Quorum, and Commission Compensation

The bill would allow the Commission to meet upon call of the chairperson and would define a quorum as a majority of the members of the Commission (five). Commission members would be eligible for compensation, allowance, and mileage as provided by current law.

Certain Elected Officials Compensation

The bill would establish new compensation rates, subject to appropriations, for certain elected officials. The new compensation would be tied to the salary of a member of the U.S. Congress, not in a leadership role (congressional salary), which is currently \$174,000, minus a certain percentage depending on the office. Percentages and salary information would be as follows:

- The **Governor's** salary would be equal to 100 percent of the congressional salary (\$174,000);
- The **Lieutenant Governor's** salary would be equal to 25 percent of the congressional salary (\$43,000);
- The **Attorney General's** salary would be equal to 2.5 percent less than the congressional salary (\$169,650); and
- The salaries of the **Secretary of State, State Treasurer, and Commissioner of Insurance** would be equal to 7.5 percent less than the congressional salary (\$160,950).

[*Note:* Salary amounts were obtained from the Congressional Research Service report *Congressional Salaries and Allowances: In Brief*, updated December 16, 2022.]

The bill would also stipulate that if the congressional salary is decreased, the referenced salaries would remain the same for the ensuing fiscal year, unless reduced by law applicable to all salaried state officers.

Judicial Compensation

The bill would establish new compensation rates, subject to appropriations, for certain judge and justice positions and remove any reference in law to compensation limitations for such offices. The new rates would be a percentage of the annual salary for a U.S. District Judge which is currently \$232,600, or the new compensation rate for a District Judge. Percentages and salary information would be as follows:

- **District Judge** salaries would be equal to 75 percent of the annual salary of a U.S. District Judge (\$174,450);
- **District Magistrate Judge** salaries would be equal to 55 percent of the annual salary of a District Judge (\$95,947);
- **Chief Judge of the District Court** salaries would be equal to 105 percent of the annual salary of a District Judge (\$183,173);
- **Judge of the Court of Appeals** salaries would be equal to 110 percent of the annual salary of a District Judge (\$191,895);
- **Chief Judge of the Court of Appeals** salary would be equal to 115 percent of the annual salary of a District Judge (\$200,618);
- **Supreme Court Justice** salaries would be equal to 120 percent of the annual salary of District Judges (\$209,340);
- **Chief Justice of the Supreme Court** salary would be equal to 125 percent of a District Judge salary (\$218,063); and
- **District Attorney** salaries would be equal to 75 percent of the annual salary of a U.S. District Judge (\$174,450).

[*Note:* Salary amounts were obtained from the U.S. Courts website under Judges & Judgeships, Judicial Compensation.]

The bill would also stipulate that if the salary for a U.S. District Court Judge is decreased, the referenced salaries would remain the same for the ensuing fiscal year, unless reduced by law applicable to all salaried state officers.

Other Compensation Changes

The bill would remove references in statutes pertaining to existing compensation limitations for certain elected officers, the Lieutenant Governor, Governor's Cabinet members, and certain judges.

Conference Committee Action

The Conference Committee agreed to the provisions of House Sub. for SB 229 and to add the following provisions:

- Beginning January 1, 2025, establish compensation rates linked to the salary for a member of the U.S. Congress or a district judge of the United States, for certain elected officials, the Lieutenant Governor, judges and Justices, and certain district attorneys [*Note:* These provisions are similar to provisions of SB 152 as amended by the Senate Committee on Ways and Means and HB 2448.]; and
- Make technical amendments and conforming changes in continuing law.

[*Note:* SB 229 as agreed to by the first Conference Committee contains similar contents to SB 152, as amended by the Senate Committee on Ways and Means.]

House Sub. for SB 229 (Legislative Compensation Commission)

SB 229 was introduced by the Senate Committee on Commerce at the request of Senator O’Shea. As introduced, the bill would have authorized issuance of a City of Topeka license plate. [*Note:* These provisions are included in the Conference Committee Report for HB 2346.].

The House Committee on Legislative Modernization recommended a substitute bill incorporating the provisions of HB 2448, as amended by the House Committee, regarding establishment of the Commission.

HB 2448 (Legislative Compensation Commission)

HB 2448 was introduced by the House Committee on Appropriations at the request of the Wichita Regional Chamber of Commerce.

House Committee on Legislative Modernization

In the House Committee hearing, **proponent** testimony was provided by a representative of the Wichita Regional Chamber of Commerce, indicating legislative services should not result in financial wealth or extreme financial hardship, and the bill would allow for a more representative democracy.

Written-only proponent testimony was provided by the Kansas Contractors Association, indicating the bill would allow for a mechanism to study current legislator compensation and prevent conflicts of interest when establishing such compensation.

The House Committee amended the bill to:

- Clarify certain appointments, Commission responsibilities, and legislative action for the year 2026 and thereafter [*Note:* The Conference Committee retained this amendment.]; and
- Add the term “salary” where appropriate [*Note:* The Conference Committee retained this amendment.].

The House Committee then removed the contents of SB 229; inserted the contents of HB 2448, as amended; and recommended a substitute bill be passed [*Note: The Conference Committee retained this amendment.*].

SB 152 (State Officer Salaries)

SB 152 was introduced in the Senate Committee on Ways and Means at the request of Senator Claeys.

Senate Committee on Ways and Means

In the Senate Committee hearing, **proponent** testimony was provided by a representative of the Kansas Supreme Court. The conferee noted the difference in compensation for an entry level attorney in private practice and a district court judge who are required to have five years of experience.

Written-only neutral testimony was provided by the Office of the Governor.

No other testimony was provided.

The Senate Committee amended the bill to:

- Remove the contents of SB 152;
- Insert language similar to House Sub. for SB 229, with provisions that would authorize the Commission to also set compensation rates for certain elected officials, provided such compensation would be in addition to the compensation provided for in other provisions of the bill;
- Insert language that would establish compensation rates for certain elected officials, the Lieutenant Governor, Governor's Cabinet members, and judges and justices; and
- Make conforming changes in continuing law.

[*Note: The Conference Committee made significant changes to the above amendments.*]

Fiscal Information

HB 2448 (Legislative Compensation Commission)

According to the fiscal note prepared by the Division of the Budget on HB 2448, as introduced, Legislative Administrative Services indicates enactment of the bill would require \$18,830 from the State General Fund for Commission member compensation in years when the Commission would convene. Any fiscal effect associated with enactment of the bill is not reflected in the *FY 2024 Governor's Budget Report*.

SB 152 (Executive and Judge Salaries)

According to the fiscal not prepared by the Division of the Budget on SB 152 as introduced, increasing salaries for Supreme Court justices, Court of Appeals judges, Attorney General, State Treasurer, Insurance commissioner, Secretary of State, Governor, and Lieutenant Governor would increase salary expenses by \$673,969. Any fiscal effect associated with enactment of the bill is not reflected in *The FY 2024 Governor's Budget Report*.

Legislative compensation; Legislature; Legislative Compensation Commission; elected official compensation; judge and justice pay

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