



# UTAH LEGISLATOR COMPENSATION & BENEFITS

A REFERENCE GUIDE FOR UTAH LEGISLATORS – July 2015

2015 GUIDE TO LEGISLATIVE  
COMPENSATION, REIMBURSEMENT,  
AND RETIREMENT AND MEDICAL  
BENEFITS

OFFICE OF LEGISLATIVE RESEARCH  
AND GENERAL COUNSEL

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*The information provided in this document is only intended to provide a broad description of the compensation and benefits programs. Individual compensation and benefit planning should be done through that individual's employer and benefit provider.*

## I. COMPENSATION AND REIMBURSEMENT

### How Are Legislators Compensated?

#### General Provisions

For authorized legislative days, a legislator receives daily compensation of **\$273**<sup>1</sup> established<sup>2</sup> by the Legislative Compensation Commission<sup>3</sup> (LCC).<sup>4</sup> In addition, the legislature may authorize reimbursement to a legislator for actual lodging, meals, and transportation expenses incurred for official duties, not to exceed the rates published in the state administrative rules.

#### Daily Compensation

The compensation is paid based on attendance<sup>5</sup> during an authorized legislative day. An authorized legislative day includes:

- (1) a general session day;
- (2) a special session day;
- (3) a veto override session day;
- (4) an interim day designated by the Legislative Management Committee; or
- (5) any other day that includes a meeting of a committee, subcommittee, commission, task force, or other legislative meeting, if:
  - (a) the entity is created by statute or joint resolution;

"The Legislature shall not increase the salaries of its members on its own initiative, but shall provide by law for... a citizens' salary commission to make recommendations concerning the salaries of members of the Legislature. Upon submission of the commission's recommendations, the Legislature shall by law accept, reject or lower the salary but may not, in any event, increase the recommendation." Utah Constitution, Article VI, Section 9

#### Additional Leadership Pay

- President of the Senate & Speaker of the House: \$5,000 each
- Majority and Minority Party Leaders: \$4,000 each
- Whips and Assistant Whips, Caucus Managers, Chairs of the Executive Appropriations Committee: \$3,000 each

<sup>1</sup> On recommendation from the LCC in its Second Revised Supplemental Report dated March 8, 2012, in the next calendar year beginning February 1, 2013, the 104 Utah state legislators compensation changed to receiving a daily salary of \$273 per day for all authorized legislative days.

<sup>2</sup> The LCC recommendations must be submitted to each member of the Legislature by January 2<sup>nd</sup> of each even-numbered year (right before the Legislative General Session). During that even-numbered session "the Legislature may reject or decrease the salary recommendation, but may not increase the salary recommendation" (see Utah Code Subsection 36-2-3(2)(a)). If the Legislature does not act, the LCC recommendations are by law accepted and go into effect at the beginning of the next (odd-numbered) calendar year (see Utah Code Section 36-2-3).

<sup>3</sup> The Legislative Compensation Commission is a seven member citizen commission appointed by the governor to four-year terms. The LCC is staffed by the Governor's Office of Management and Budget and is required to study, formulate, and submit recommendations for Utah state legislator's salary levels (see Utah Code Section 36-2-5).

<sup>4</sup> See Utah Constitution, Article VI, Section 9; Utah Code Sections 36-2-2 and 36-2-3; and Joint Rules JR5-3-101.

<sup>5</sup> For the 45-day general session, all legislators receive a lump sum payment of \$12,285 (\$273 x 45 days). This payment is made in January near the start of the legislative session. Legislators are paid for actual attendance for all other authorized legislative days.

(b) the legislator's attendance at the meeting is approved by the Legislative Management Committee; and

(c) service and payment for service by the legislator is not in violation of the Utah Constitution.<sup>6</sup>

### **Authorized Legislative Training Days**

In addition to authorized legislative days, during the 2015 General Session the legislature allowed for expense reimbursement for authorized legislative training days.<sup>7</sup> Salary is not authorized for an authorized legislative training day.

The Legislative Oversight Committee may authorize reimbursement of expenses for up to four authorized legislative training days per year for a sitting legislator and an extra two authorized legislative training days for a new legislator.<sup>8</sup> An authorized legislative training day may include attendance for:

- (1) chair training;
- (2) an issue briefing;
- (3) legislative leadership instruction;
- (4) legislative process training;
- (5) legislative rules training;
- (6) new legislator orientation; or
- (7) another meeting to brief, instruct, orient, or train a legislator or legislator-elect in furtherance of the legislator's or legislator-elect's official duties.

### **How Are Legislators Reimbursed for Expenses?**

"The Legislature shall establish, by joint rule of the Legislature, the expenses of its members..."<sup>9</sup> For an authorized legislative day, or an authorized legislative training day, a legislator may be reimbursed as follows:

"The Legislature shall provide by law for the expenses of its members . . . and mileage as provided by law." Utah Constitution, Article VI, Section 9

**Lodging** – "If a legislator's official duties necessitate overnight accommodations, the legislator may receive reimbursement for any actual lodging expenses incurred by the legislator."<sup>10</sup>

**Meals** – "A legislator may receive reimbursement for any actual meal expenses incurred by the legislator in association with the legislator's official duties."<sup>11</sup>

<sup>6</sup> See Joint Rules Section JR5-1-101.

<sup>7</sup> H.J.R. 6 Joint Rules Resolution Providing For Reimbursement For Legislative Training Days (2015 General Session).

<sup>8</sup> JR5-1-101 and JR5-2-101

<sup>9</sup> Utah Code Section 36-2-2; and Utah Constitution, Article VI, Section 9.

<sup>10</sup> JR5-2-101

<sup>11</sup> JR5-2-102

**Transportation** – "A legislator may receive reimbursement for any actual transportation costs incurred by the legislator in association with the legislator's official duties."<sup>12</sup>

The amount of a reimbursement is limited to the rate established in Utah Administrative Rules for corresponding reimbursements for state employees. The table below illustrates available reimbursements for lodging, meals, and transportation.

All expenses are subject to procedures established by, and reviews conducted by the Legislative Expenses Oversight Committee for each house.<sup>13</sup> "A legislator shall provide a receipt . . . for each . . . reimbursement."<sup>14</sup>

FY 2016 Division of Finance Rates			
Expense	Reimbursement Amount		Citation
<b>Transportation</b>	<ul style="list-style-type: none"> <li>Private vehicle reimbursement is \$0.56 per mile.</li> <li>Parking expenses and public and commercial transportation costs are also permitted.</li> </ul>		JR5-2-103 Administrative Rule R25-7-10
<b>Lodging (in-state)</b>	<ul style="list-style-type: none"> <li>\$100 plus tax for a night's stay in the Salt Lake City Metropolitan Area</li> <li>Lower rates may apply for specified Utah cities</li> <li>Travel less than 50 miles from home: Senate – Senate President approval required House – No additional approval is required</li> </ul>		JR5-2-101 Administrative Rule R25-7-8
<b>Meals (for in-state and out-of-state travel)<sup>15</sup></b>		In-state    Out-of-state	JR5-2-102 Administrative Rule R25-7-6
	Breakfast	\$10            \$10	
	Lunch	\$14            \$14	
	Dinner	\$16            \$22	
	<b>Total</b>	<b>\$40            \$46</b>	

<sup>12</sup> JR5-2-103

<sup>13</sup> JR5-1-102

<sup>14</sup> JR5-2-104

<sup>15</sup> Travel out-of-state to certain cities may allow reimbursement at higher rates (see Administrative Rule R25-7-6 and R25-7-8).

**Other Reimbursement**

Legislative leaders may establish a policy governing reimbursement for expenses related to communications devices for legislators.<sup>16</sup> Supporting documentation is required for reimbursement.<sup>17</sup> The Legislative IT Steering Committee has approved a policy that allows legislators to choose one of three options:

- (1) a mobile phone and plan provided by the Legislature,
- (2) no mobile phone or plan, or
- (3) up to \$79 per month expense reimbursement for a personal cell phone and plan.

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<sup>16</sup> JR5-5-101

<sup>17</sup> JR5-5-102

## II. RETIREMENT AND HEALTH BENEFITS

### What Benefits Are Available to Current Legislators?

#### Health Benefits

Legislators may participate in the same health, dental, and life insurance plans available to state employees that are administered by Public Employees Health Plan (PEHP). The state provides traditional health and dental plans as well as (Health Savings Account) HSA-eligible plans. For traditional plans, legislators pay the same percentage share as other state employees, with the state paying the remaining share. The state also pays the full premium for basic life insurance coverage of \$25,000 for each active legislator who enrolls in the program. The health and life insurance coverage terminates when the legislator is no longer in office.<sup>18</sup> However, for legislative service that began before July 1, 2013 a retired legislator may be eligible for continuing health coverage (see page 6).

#### Retirement

Legislators are eligible for retirement benefits after four years of service. In the 2010 Retirement Reforms, the legislature amended retirement benefits for new employees including new legislators who begin service on or after July 1, 2011. The changes are shown in comparison in the tables below. Utah Retirement Systems administers both programs.

#### **Governors' and Legislators' Retirement Pension Plan (Title 49 Chapter 19)**

##### **Eligibility**

- Entered office before July 1, 2011; or
- Accrued service credit in a Tier 1 system or plan administered by the Retirement Board before July 1, 2011;
- At least four years of service and reached age 65; or
- At least 10 years of service and reached age 62.

##### **Benefit**

- \$28.80 per month per year of service as of December 31, 2014.
- No maximum benefit.
- Up to 4% annual COLA based on CPI

#### **New Public Employees' Tier II Defined Contribution Plan (Title 49 Chapter 22)**

##### **Eligibility**

- Entered office on or after July 1, 2011; and
- No service credit accrued before July 1, 2011 in a Tier I system or plan.

##### **Benefit**

- The state contributes ten percent of legislators' eligible compensation to a 401(k) defined contribution plan.
- Vests after four years of eligible service.

<sup>18</sup> 2014 Report of the Utah Legislative Compensation Commission, retrieved [http://le.utah.gov/publicweb/PERRYLB/PublicWeb/21619/Report\\_of\\_the\\_2014\\_Legislative\\_Compensation\\_Commission.pdf](http://le.utah.gov/publicweb/PERRYLB/PublicWeb/21619/Report_of_the_2014_Legislative_Compensation_Commission.pdf)

### III. POST-RETIREMENT PAID-UP HEALTH COVERAGE BENEFIT

#### What Health Benefits Are Available to Legislators After Retirement?

A retired legislator and spouse may receive state-paid:

- Health insurance for a three-year window<sup>19</sup> from age 62 to age 65 if the legislator's service began before January 1, 2012 as shown in the chart to the lower left; and
- Medicare supplemental coverage for life, beginning at age 65 if the legislator's service began before July 1, 2013 as shown in the chart to the lower right.

With a four-year minimum years-of-service requirement, the state pays a percentage of the cost based on years of service as a Utah legislator as shown in the chart to the upper right.<sup>20</sup>

#### Percent of State-Paid Cost for Health Insurance or Medicare Supplemental Coverage:

- 100% for 10 or more years of service credit;
- 80% for 8 or 9 years
- 60% for 6 or 7 years
- 40% for 4 or 5 years

Utah Code Section 49-20-404

#### Three-Year Window of Health Insurance

The state pays for health insurance for a legislator and spouse if the legislator:

- Is between the ages of 62 and 65;
- Began service before January 1, 2012;
- Is under the Utah Governors' and Legislators' Plan and retires after January 1, 1998;
- Applies for the benefit; and
- Is an active member at the time of retirement or has continued health insurance coverage until age 62 (see *Utah Code Subsection 49-20-404(1)*).

#### Life-time Medicare Supplemental Benefit

At age 65, the state pays a percentage of the cost of Medicare supplemental coverage for life, for a legislator and spouse if the legislator:

- Is at least 65 years of age;
- Began service before July 1, 2013;
- Retires under the Utah Governors' and Legislators' Retirement Plan after January 1, 1998;
- Applies for the benefit (see *Utah Code Subsection 49-20-404(2)*).

<sup>19</sup> An eligible governor or legislator who pays both the employer and employee share of the premium may continue family medical coverage until the governor or legislator reaches age 62, at which time the state only pays for governor and spouse or legislator and spouse coverage (reported PEHP procedures). Utah Code Section 49-20-404 is silent on dependent coverage.

<sup>20</sup> Utah Code Sections 49-19-201, 49-20-404, 49-22-201, and 49-22-403.

For additional information contact

Benjamin N. Christensen, Legislative Policy Analyst, 801-538-1032

Eric Weeks, Deputy General Counsel, 801-538-1032

