

News Release

Assembly Speaker Carl E. Heastie

NYASSEMBLY.GOV



CONTACT:

Kerri Biché (518) 455-3888 bichek@nyassembly.gov FOR IMMEDIATE RELEASE: October 5, 2016

Speaker Heastie Calls on Commission on Compensation to Raise Legislators' Pay

Assembly Speaker Carl Heastie issued a letter to the New York State Commission on Legislative, Judicial, and Executive Compensation outlining the economic justification for an increase in salaries for New York State Legislators.

"The evidence is overwhelming that a raise in compensation is warranted; indeed, it is long overdue," said Heastie. "Economic variables and public policy fully support a salary increase for statewide elected officials, executive officers, and legislators, just as these same considerations yielded an increase for the judiciary earlier this year. In order to maintain our constitutional framework of government and the appropriate balance among the branches and offices of government, it is important that the compensation of the offices under consideration be increased proportionally."

The letter was sent in reply to the Commission's request for comment on the question of legislative salaries.

-30-

The full letter is attached.



THE ASSEMBLY STATE OF NEW YORK ALBANY

Room 932 Legislative Office Building Albany, New York 12248 (518) 455-3791

By Electronic and U.S. Mail

October 5, 2016

New York State Commission on Legislative, Judicial, and Executive Compensation 64 Beaver Street Box 454 New York, New York 10004

Dear Commissioners:

Please accept this letter as a reply to the request set forth in your letter dated September 26, 2016, for comment on the question of legislative salaries. I am hopeful you will find this response helpful in reaching a conclusion.

The evidence is overwhelming that a raise in compensation is warranted; indeed, it is long overdue. Economic variables and public policy fully support a salary increase for statewide elected officials, executive officers, and legislators, just as these same considerations yielded an increase for the judiciary earlier this year. In order to maintain our constitutional framework of government and the appropriate balance among the branches and offices of government, it is important that the compensation of the offices under consideration be increased proportionally.

The intent in forming the Commission was to have compensation for all the offices set forth in the statute considered based on objective economic factors, not in conjunction with any policy decisions or legislative action, and to remove this discussion from politics. The Commission's enabling statute set forth economic factors for the Commission to consider when making its decision. The factors are: the overall economic climate; rates of inflation; changes in public-sector spending; the levels of compensation and non-salary benefits received by executive branch officials, legislators of other states and comparable federal officials; levels of compensation received by professionals in government, academia, and private and nonprofit enterprises; and the ability of the State to fund increases.

As the written testimony of Peverill Squire, who holds the Hicks and Martha Griffiths Chair of American Political Institutions in the Department of Political Science at the University of Missouri, observes, stagnant wages combined with rising costs constitute a substantial pay cut both in buying power and relative to comparable legislators in urban areas, such as Council Members in New York City, State Legislators in California (which is the state most analogous to New York), and members of Congress. Extending Professor Squire's assertion to the present issue, the real purchasing power of New York State legislators' \$79,500 fixed salary has now declined to \$53,997.

I believe an analysis of the Consumer Price Index (CPI) in the State of New York appropriately informs this analysis, when placed in context. Were legislative salaries to have increased by about two percent annually since they were last augmented, legislative compensation would have kept pace with aggregate growth in State CPI. It should be noted that the percentage growth in State CPI since the last salary increase is roughly similar to the percentage growth in median household income over the same period. Legislators are not insulated from the same financial pressures that are experienced by their constituents. They too must finance college loans, support the costs of childcare and the well-being of elderly parents, and take care of loved ones at home. For the 101 members of Assembly who represent the City of New York, Long Island, and suburban counties of Westchester, Rockland, and Putnam — all areas with a high total cost of living, some comprising the highest cost of living in the nation — it can be argued that the impact of a frozen salary is even more acute.

Like most other New York residents, legislators' salaries have been increasingly consumed by the rising cost of housing—whether through maintaining a rental agreement or a mortgage. The State CPI for housing costs has grown by 55.5 percent since the last salary adjustment, eclipsing median household income growth by more than ten percentage points. In addition, the fixed salaries of legislators must support the burgeoning costs of medical care, which, according to the CPI, have increased by nearly 69 percent since the last salary adjustment.

Ironically, while the compensation rates for legislators have declined in real dollars, the complexity and demands of the position of a New York State Assembly Member have dramatically increased. One of the greatest responsibilities of any state legislator is to actively participate in the drafting and adoption of the annual state budget, which presently stands at over \$148 billion on an All Funds basis—an amount that has doubled since the last pay increase. Since the budget is a statement of the priorities of the constituents we serve, this duty is taken very seriously. The annual budget process calls upon each legislator to let the voice of their communities be heard when it comes to funding our schools, providing assistance to the sick, the elderly, and the needy, making investments in infrastructure, and providing academic support for the leaders of tomorrow.

Because the constitutional timeframe for completion of the State budget (passage by April 1) is compressed compared to most other states, this process involves intense periods of public hearings, discussion, negotiation, and drafting addressing both fiscal and policy considerations. While public attention often focuses on the leaders who attend meetings to discuss the budget, that focus overlooks and underestimates the amount of work that all the members put into the process. Each chair consults with committee members, analyzes the budget issues related to that committee, and leads a series of discussions in conference. For every hour of debate on the floor, dozens of hours of work are dedicated to analyzing issues, drafting language, and preparing for debate. Despite the difficulties inherent in this process and the disparate philosophical views of the majority and minority conferences of the Assembly and Senate, the budget has been passed by April 1 for the last six years. In addition to many other policy priorities, all of the above are considered in the context of a Financial Plan that must remain in balance while meeting new challenges. Our deliberations are always mindful of the burdens that are faced by families, businesses, and homeowners.

The budget, of course, is only one aspect of the work a legislator undertakes. New York State has a population of 19.7 million. It is one of the most diverse states in the nation in terms of geography (urban, rural, and suburban), economics, ethnicity, race, religion, and political opinion, and legislators must consider and address the range of legal and policy issues that are contained in the more than 300 volumes of McKinney's Consolidated and Unconsolidated Laws of New York. In the Assembly, these issues are considered by 37 standing committees and 13 joint legislative commissions. Each member of the majority serves on four to six committees, which requires reviewing hundreds of bills, hearing the opinions of members of the public and advocates, and attending committee meetings. Members attend numerous public hearings, roundtables, and town hall meetings on these issues, which are held throughout the year and across the State.

Although the legislative process of drafting, researching, negotiating, conferencing, debating, and voting on bills is time-consuming, most members spend far more time meeting with constituents, responding to local concerns, and addressing the needs of their districts. This is a function that is performed all year and often seven days a week, extending from early in the morning to late at night. Much of a legislator's job is responding to constituents who need assistance in navigating the complexities of state and local government. Members attend community events and community gatherings, which are mechanisms by which many residents of the State learn about legislation that pertains directly to their interests and concerns and is often where constituents have the greatest opportunity to interact with their representatives. It is accurate to say that a legislator fills a consultative role all day, every day to the people they represent.

In New York State, the contention that legislators are "part-time" is a technical legal conclusion based on the fact that the state constitution does not expressly prohibit other compensated employment. However, in reality, it is a full-time position. Most

legislators are unable to hold other employment, because of the time commitments required by their legislative duties and the demands of the position that can occur on short notice. The members of the Assembly come from a wide range of backgrounds and possess diverse expertise and experience. At the present time, the body includes members who have worked as lawyers, nurses, an auctioneer, insurance executives, former advocates, accountants, realtors, professors, financial investors, and a funeral home director, among other professions.

The public policy reasons for an increase in legislative salaries are, broadly speaking, the same as the reasons for an increase in judicial and executive salaries: to attract the best possible people to pursue the position. It is true that the Assembly has attracted superb people to become members, just as, in the past, the State was able to recruit talented jurists despite a relatively low salary range. However, a depressed salary will eventually discourage qualified people from pursuing those offices. That is particularly dangerous for an elected legislature that must represent all segments of the State's population. Low legislative salaries compared to other government positions and the private sector tend to discourage members of the middle and working classes, particularly people with families, from seeking public office. The people who can afford to pursue these positions will disproportionately become the retired, the independently wealthy, and younger people who plan to serve for a short time and then move to the private sector. While these groups often produce excellent legislators, it should not be the only pool from which legislators are drawn. If the compensation for legislators is not synchronized with the rate of inflation and with opportunities in other branches of government and the private sector, fewer people will offer themselves as candidates and the voters will have fewer choices. In a democracy, offering more choices to the voters is the only effective way to implement change and improve the functioning of government. Anyone who thinks we can achieve progress by discouraging qualified people from participating in elective office misunderstands how a democracy works.

Professor Squire persuasively set forth the many risks of a low salary for legislators. It leads to a higher percentage of uncontested seats and so fewer choices for the voters, and sometimes less qualified candidates. A more professional legislature results in more contact with constituents, more attention to their concerns, and better representation. It also leads to greater ability to deal with complex legislation and more innovation. Finally, it enables legislators to gain experience in office, providing a legislator greater ability to master difficult subject areas and the ability to fulfill the legislature's constitutional duty to review and provide balance to the executive branch.

Legislators submit to review by the voters every two years. In that regard, they are different from the executive branch commissioners, whose salaries also are under review and closer to the voters than are the New York statewide elected officials. It is the exclusive purview of the voters to evaluate the performance of their legislators and decide whether or not to return them to office.

It is my strong belief that increases to legislative compensation should at a minimum match the rate of inflation. An increase in compensation for both houses of the legislature at such a level would represent a very modest percentage of State Operating Funds spending. This burden is entirely justified when it comes to attracting and retaining worthy representatives to our independent branch of state government. It is equally important that the increases among the three branches be such as to preserve the proportionality that existed before the Commission was created. Therefore, I urge you to recommend changes to the compensation of agency commissioners as set forth in the September 21st letter of the Director of the Division of Budget. Commensurate changes to the compensation of the statewide elected officials and members of the Legislature should be augmented to preserve the same relative proportions that currently exist.

Thank you for your consideration.

Very truly yours,

Carl E. Heastie

Speaker

New York State Assembly