

Overview of Montana State & Legislator Pay Information
Prepared for the Legislative Council
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Background:

In 1999, the legislator pay was amended from a Grade 8, entry salary of \$7.46/hour, to Grade 10, entry salary of \$8.86/hour. In 2007, when the state fully converted to a broadband pay system, \$10.33/hour was the Grade 10 entry salary amount. If inflation is applied for 2015, the entry salary amount would be \$12.05/hour. For the 2017 session, the salary will be \$11.33/hour, as it was adjusted by the statutory raise received by all state employees.

Current 2015 legislator salary is most closely equivalent to an entry salary in the Executive Branch Band 4 range comparable to Legislative Branch Band 3 (2014 market survey):

Minimum= \$10.20/hour
Midpoint= \$15.14/ hour
Maximum= \$34.68/ hour

2014 Broadband Pay Ranges

For the Council study in 2014, legislative staff classified the Legislator Position Description to a Band 7. The Band 7 wage ranges (the lowest and highest salaries of all the occupations in the band and the midpoint of the salary range currently used) based on the 2014 Market Surveys:

Executive Branch -- Band 7 Occupational Wage Ranges

Minimum = \$19.58/hr \$40,744 annual
Midpoint = \$41.65/hr \$86,632 annual
Maximum = \$63.72/hr \$132,536 annual

Legislative Branch -- Band 7 Occupational Wage Ranges

Minimum = \$22.76/hr \$47,341 annual
Midpoint = \$35.24/hr \$73,923 annual
Maximum = \$48.34/hr \$100,540 annual

Ranges of actual employee pay ranges as of January 2016

Executive Branch Band 7	Minimum = \$18.34	Midpoint = \$35.48	Maximum = \$53.60
Legislative Branch Band 7	Minimum = \$22.76	Midpoint = \$30.45	Maximum = \$43.05

In the legislative pay plan, entry salary is generally at 80% of market for a specific occupation, so the minimum salary above should reflect the lowest paid occupation in the band. Midpoint is of the band's salary range. Maximum is the highest salary that one can receive for the highest paid occupation in a band.

Council requests:

- 1) Neighboring states (see CSG Book of States Tables).
- 2) Index for legislator pay. Currently, legislators will receive the same statutory increases that state employees receive the session following the session for which the increases are passed. Also, see information on legislator per diem calculation in "History of Legislator Session Per Diem Rates" for how the per diem is calculated and indexed. Other options could be to index to some other measure of pay; i.e., statewide annual increases or increases based upon the Consumer Price Index.
- 3) Average annual wage statewide and tied to changes in state wages:

Average Hourly Wage Comparison of Montana and Surrounding States Based on UI-Based QCEW Data from BLS					
Year	Montana	Idaho	North Dakota	South Dakota	Wyoming
2001	\$12.11	\$13.35	\$12.36	\$12.31	\$13.48
2002	12.50	13.54	12.76	12.67	13.93
2003	12.94	13.79	13.28	13.08	14.39
2004	13.38	14.36	13.94	13.60	15.00
2005	14.01	14.80	14.40	14.01	15.99
2006	14.71	15.66	15.06	14.56	17.63
2007	15.49	16.13	15.91	15.22	18.87
2008	16.01	16.30	16.86	15.78	19.95
2009	16.23	16.41	17.29	16.03	19.57
2010	16.63	16.78	18.33	16.51	20.17
2011	17.21	17.13	20.09	17.03	20.86
2012	17.83	17.38	22.07	17.56	21.43
2013	18.06	17.71	22.97	17.90	21.62
2014	18.69	18.26	24.45	18.60	22.35

Average Hourly Wage Growth of Montana and Surrounding States Based on UI-Based QCEW Data from BLS					
Year	Montana	Idaho	North Dakota	South Dakota	Wyoming
2001					
2002	3.2%	1.4%	3.3%	3.0%	3.3%
2003	3.5%	1.8%	4.1%	3.2%	3.3%
2004	3.4%	4.2%	4.9%	3.9%	4.3%
2005	4.7%	3.0%	3.3%	3.1%	6.5%
2006	5.0%	5.9%	4.5%	3.9%	10.3%
2007	5.3%	3.0%	5.7%	4.5%	7.1%
2008	3.4%	1.1%	6.0%	3.7%	5.7%
2009	1.4%	0.7%	2.6%	1.6%	-1.9%
2010	2.5%	2.3%	6.0%	2.9%	3.1%
2011	3.5%	2.1%	9.6%	3.2%	3.4%
2012	3.6%	1.5%	9.9%	3.2%	2.7%
2013	1.3%	1.9%	4.1%	1.9%	0.9%
2014	3.5%	3.1%	6.4%	3.9%	3.4%