

CHAPTER 11: GETTING PAID AND OTHER IMPORTANT DETAILS

Introduction

This chapter provides practical information to help a legislator prepare for a legislative session or take care of business during the session. The first half of the chapter addresses compensation and benefits. The second half is devoted to "Administrative Nuts and Bolts".

Compensation and Benefits

Financial Services Office

The Financial Services Office of the Legislative Services Division is responsible for processing payroll, mileage and expense allowances, and per diem allowances. The office also has information and forms related to benefits.

Compensation Rates

Daily allowance. During the 2007 session, each legislator will receive a daily (per diem) allowance, 7 days a week, for expenses. The allowance is not paid when the Legislature recesses for more than 3 days. The per diem allowance during the 2005 session was \$94.05 a day; the allowance for 2007 will be determined as outlined in section 5-2-301(4), MCA, but will not exceed a 5% increase.

Salary. Each legislator will also receive a salary of \$82.67 for each legislative day. Although the Legislature provides by law for the compensation and allowance for members, a Legislature may not fix its own salary. A salary rate set by the 2007 Legislature will not be effective until the 2009 Legislature is seated. A legislator may choose to serve for no salary.

Interim activities. Legislators and legislators-elect who are attending the pre-session caucus or legislative orientation and training or legislators who are engaged in legislative business with prior authorization are entitled to receive salary for each 24-hour period spent away from home. Legislative Council guidelines are used to determine if time spent away from home reasonably falls within the context of authorized legislative business.

Deductions

The following deductions will be taken from a legislator's salary:

- ✓ Social Security (including Medicare) deductions;
- ✓ federal and state income tax withholdings in accordance with the legislator's W-4 form;
- ✓ for legislators who have elected to join the Public Employees' Retirement System, contributions; and

- ✓ for legislators who have elected to participate in the deferred compensation plan, the elected amount.

Special conditions may apply to legislators who were members of, or drawing retirement benefits from, any of the state retirement systems prior to beginning legislative service.

■ **Distribution of Payments for Salary and Expenses**

Payroll warrants will be delivered to each legislator's Capitol Station post-office box biweekly on Wednesday, beginning January 17, 2007. An electronic direct deposit option is available.

Per diem payments will be delivered to legislators' Capitol Station post-office boxes on Wednesday of each week, beginning January 10, 2007. At the legislator's option, per diem payments may be combined with the biweekly payment of payroll. Notify the Financial Services Office if you wish to exercise this option.

Legislators who live within 50 miles of the Capitol will not receive weekly per diem payments. Instead, per diem payments will be combined with the biweekly payment of payroll.

■ **Tax Considerations**

Treatment of per diem allowances for income tax purposes depends on where the legislator lives and how the actual allowance compares with the amount allowed under federal law.

If a legislator lives within 50 miles of the state Capitol, per diem allowance payments are taxable income, subject to withholding. If a legislator lives more than 50 miles from the Capitol, a portion of the per diem allowance payments may be taxable, but payments are not subject to withholding.

After each legislative session and before income tax forms are due, the Legislative Services Division's Legal Services Office prepares a memorandum that explains the federal requirements and provides the necessary dates and amounts that may be needed to complete a legislator's federal income tax return.

Travel expenses for legislative business that are not reimbursed may be eligible for a deduction. Legislators are advised to consult with the federal Internal Revenue Service or their income tax preparers.

■ **Public Employees' Retirement System (PERS)**

Membership in the Public Employees' Retirement System (PERS) is optional for legislators who are not members. Within 6 months of assuming office, the legislator must elect to accept or decline membership. The election is irrevocable as long as the legislator is in office. If a legislator elects membership, retirement contributions must begin immediately.

If a legislator declines membership, the legislator may not become a PERS member while still a legislator. In



addition, no membership service credit may accrue for the time period that the legislator serves in office. If a legislator later becomes employed in a position for which PERS membership is mandatory, the legislator is required to become a member at that time, but no service credit for legislative time in office will be credited, nor can it be purchased.

If a legislator is an active, inactive, or retired member of the PERS (anyone with funds on deposit with the PERS), the legislator is not allowed an election option.

In addition to regular retirement benefits, there are provisions for benefits in case of disability or death.

■ **Group Insurance Benefits**

Members of the Legislature are eligible for state employee group insurance benefits. Options include medical and dental coverage for the legislator and family members and life insurance coverage. Eligibility for newly elected officials begins on the date that the oath of office is taken or on the date that the term begins, whichever is earlier.

The state contributes an amount, specified in section 2-18-703, MCA, toward the cost of group benefits for employees and legislators. Legislators may enroll in state insurance benefits and have the monthly state contribution applied to those benefits or elect to have the monthly state contribution applied toward out-of-pocket costs of other health insurance coverage. If the out-of-pocket cost is less than the

state's monthly contribution, only the portion of the state contribution necessary to cover actual out-of-pocket costs may be applied.

■ **Deferred Compensation Plan**

Legislators are eligible to participate in the State of Montana 457 Deferred Compensation Plan, which is a tax-deferred supplemental retirement program. The plan allows participants to defer as little as \$10 a month.

A legislator may enroll, change, or stop deferrals at any time. There is no specific time or period during which a legislator becomes eligible or must enroll. The plan is available only through payroll deduction and would be most beneficial to a legislator during legislative sessions when the legislator is receiving regular paychecks through the central payroll system.

■ **Leave**

Sick leave and annual leave benefits do not apply to legislators.

■ **Travel Expenses**

Travel during the legislative session.

Each legislator is authorized to receive mileage reimbursement at a rate established by statute for four round trips from home to the Capitol during a regular session. An initial payment, covering the legislator's trip to Helena at the beginning of the session and the return trip home at the end of the session, is paid automatically during the first week of the session. In order to receive reimbursement for the three

additional round trips, the legislator must complete a form. Reimbursement is made after the trip is completed.

Additional travel during a legislative session may be authorized and funded by money from the feed bill* with the concurrence of the President of the Senate or the Speaker of the House.



Travel during the interim. A budget for leadership-approved travel is usually included in the feed bill

to pay for travel expenses associated with meetings of Legislative Administration Committees, Rules Committees, or similar groups during the interim. Leadership-approved travel funds also help members attend meetings of value to the Legislature during the interim. Expenditure of this money is subject to approval of the President of the Senate, Senate Minority Floor Leader, Speaker of the House, or House Minority Floor Leader.

Money is also appropriated in the general appropriations bill (House Bill No. 2) for legislators to attend meetings of permanent legislative committees, legislative interim committees, and other special committees. Occasional appropriations are provided for legislators to attend meetings of the National Conference of State Legislatures, the Council of State Governments, or other interstate organizations. Except for appropriations

* House Bill No. 1, the appropriation bill that supports the functions of the Legislature.



for the Legislative Finance and Legislative Audit Committees, allocation of the interim committee budgets is the responsibility of the Legislative Council. Expense and mileage allowances are determined as provided in Title 2, chapter 18, part 5, MCA.

■ Administrative Nuts and Bolts

Administrative topics are listed in alphabetical order. Except when otherwise noted, services and equipment are to be used for legislative business and not political or private purposes.

Absence. Senators should notify the party whip and representatives should notify the party floor leader if they need to be excused from meetings on a legislative day.

Agenda, bills, and resolutions. Members receive a packet of information that includes a daily agenda and copies of bills and resolutions on second and third reading for that day. Additional copies are available from the Bills Distribution Office on the third floor of the Capitol.

Aides for individual legislators. Each legislator may sponsor one legislative aide, who is at least 18 years of age, for a session. Exceptions may be approved by the appropriate Rules Committee. The Legislature does not provide any funds for compensating or reimbursing aides. Any compensation or reimbursement of expenses is the sole

responsibility of the sponsoring legislator. A senator who sponsors an aide must register with the Secretary of the Senate and arrange for the purchase of a name tag with the Senate Sergeant at Arms. A representative who sponsors an aide must provide written notification of the designation of an aide to the House Sergeant at Arms and arrange to purchase an identification tag from the Sergeant at Arms.

Computers. Computers with Internet access, a web browser, and word processing software are available in common-use areas. The Legislative Services Division will arrange for Internet access for legislators who wish to bring their own laptop computers to the Capitol. Legislators may contact the Sergeant at Arms to make arrangements.

Copying. Photocopiers are available for use by legislators in the areas assigned to each house for copying of materials. Legislators should use the machines assigned to their house. Contact the Secretary of the Senate's office or the Chief Clerk's office in the House of Representatives for large copying jobs.

Fax. Facsimile machines are available for use by legislators in the areas assigned to each house. Legislators should use the machines assigned to their house.

Food service. There is a cafeteria in the basement of the Capitol and a snack bar on the third floor in the public hallway between the Senate and House

Chambers. There is also a cafeteria on the third floor of the Walt Sullivan (Labor and Industry) Building located across from the southeast corner of the Capitol and in other buildings in the Capitol Complex.

Housing.

Legislators are responsible for making their own housing arrangements. As a courtesy to legislators, the Legislative Services Division information officer maintains a file of information that is provided by landlords about housing opportunities.



Interns. The Legislative Council administers the legislative intern program established in Montana law. Participating higher education students are assigned to a legislator by the Legislative Council. Interns participating in this program do not receive a stipend. They may receive academic credit if this is authorized by the intern's school. Other entities also sponsor legislative intern programs.

Mail. Each legislator is assigned a post-office box located next to the post office on the first floor of the Capitol. After the legislative session, first-class mail is forwarded to the legislator by the Legislative Services Division. Items to be mailed may be deposited at the Sergeant at Arms' office in the Senate or the Chief Clerk's office in the House of Representatives. Mass mailings are not permitted.



Offices. Office space assignments are coordinated by the Sergeant at Arms. Offices are not available for all representatives; however, rooms with desks and other office equipment are available for common use by representatives.

Pages. There is a "page call" button on each desk. Pages may be used to deliver or pick up mail, to deliver notes and messages to other legislators, or to get a snack when the legislator is busy during a floor session. Legislators may sponsor pages to serve for 1 week. Applications for appointment as pages are available at the office of the Secretary of the Senate or the Chief Clerk of the House.

Parking. Each legislator is assigned an individual numbered parking space before the beginning of the session. Legislators may contact the Sergeant at Arms regarding parking assignments or parking violations.

Schedule. The Legislature typically meets 6 days a week, Monday through Saturday. In the past, the Legislature has recessed for a couple of days after the transmittal deadline and at the time of the Easter holiday.

Smoking. Buildings owned and occupied by the state are required by law to be smoke-free. Therefore, no smoking is allowed inside the Capitol.

Supplies. Legislators may contact the Sergeant at Arms for supplies, including stationery, name tags, and business cards.

Telephone. Long-distance telephone calls made by a member while the Legislature is in session or while the legislator is in travel status are considered official legislative business. Authorized calls include calls made to constituents, places of business, and family members. (Dial "8" to get an outside line.) Access to the Internet is subject to the same policy.

Word Processing ("typing"). Word processing support is available to all legislators for preparation of letters, news releases, etc. Senators should contact the office of the Secretary of the Senate, and representatives should contact the office of the Chief Clerk of the House.

