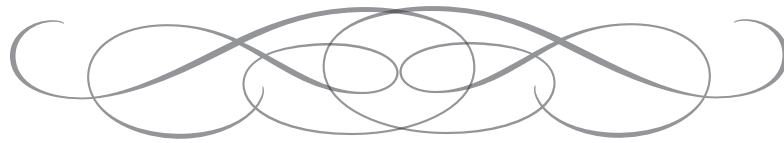


Report of the Governor's Salary Commission



Annapolis, Maryland
January 2014

Governor's Salary Commission

Member

Senator Robert R. Neall, **Chair**
Dr. Zaneb K. Beams
Mr. Barry P. Gossett
Mr. Bruce M. Plaxen
Mr. F. Joseph Rubino
Mr. Frederick Schram

Appointed By

President
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Treasurer Nancy K. Kopp

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GOVERNOR'S SALARY COMMISSION

January 9, 2014

The Honorable Martin J. O'Malley
Governor of Maryland

The Honorable Thomas V. Mike Miller, Jr.
President of the Senate

The Honorable Anthony G. Brown
Lieutenant Governor of Maryland

The Honorable Michael E. Busch
Speaker of the House of Delegates

Gentlemen:

The Governor's Salary Commission has completed its tenth quadrennial study as directed by the Maryland State Constitution. It is our privilege to report the commission's findings and conclusions. Salary recommendations and suggestions regarding related compensation practices are summarized beginning on page one of this report.

In accordance with the provisions of Article II Section 21A of the Maryland State Constitution, the commission recommends that the salary of the Governor and Lieutenant Governor be increased for the four-year term of office 2015 through 2019 as indicated in the following tables:

Governor

First Year	\$165,000
Second Year	\$170,000
Third Year	\$175,000
Fourth Year	\$180,000

Lieutenant Governor

First Year	\$137,500
Second Year	\$141,500
Third Year	\$145,500
Fourth Year	\$149,500

January 9, 2014
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The members of the Governor's Salary Commission enjoyed this opportunity to serve the citizens of Maryland and would be pleased to meet with you and the members of the General Assembly to discuss the commission's work and proposals.

Respectfully submitted,

Senator Robert R. Neall, Chairman

Zaneb K. Beams

Bruce M. Plaxen

Barry P. Gossett

F. Joseph Rubino

Nancy K. Kopp, State Treasurer

Frederick Schram

**Governor's Salary Commission
2013 Interim
Membership Roster**

The President of the Senate's Three Appointments

Senator Robert R. Neall, Chair
Mr. Barry P. Gossett
Mr. Bruce M. Plaxen

The Speaker of the House's Three Appointments

Dr. Zaneb K. Beams
Mr. F. Joseph Rubino
Mr. Frederick Schram

Serving Ex-officio

Treasurer Nancy K. Kopp

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Report Summary

The Governor's Salary Commission met in December 2013 to perform its constitutionally required quadrennial task of recommending annual salary levels for Maryland's Governor and Lieutenant Governor (see **Appendix 1**). In developing its recommendations, the commission examined various data including salary trends among key administrative posts in the Maryland State government, salaries paid to other governors and lieutenant governors nationally, salaries paid to Maryland county executives, and changes to salaries of State employees over the last nine fiscal years.

The commission noted that many of the salary assumptions made by the prior commission were still valid, such as the importance of a commensurate wage to attract highly qualified candidates and the growth in the complexity of the problems facing Maryland State government. The commission also notes that salaries of key administrative posts in Maryland State government have increased over the last four years and are expected to increase during the next term of Office of Governor.

The commission discussed whether the current economic and budgetary situation in Maryland should preclude the recommendation of any salary increase. Noting that the salary increases recommended by the 2006 and 2010 salary commissions were not implemented, and cognizant that the opportunity to implement salary increases is limited to once every four years, the commission concluded that the continued stagnation in the salaries would unduly complicate future commission efforts to ensure the salaries of the Governor and

Lieutenant Governor properly represent the importance of these positions.

In crafting its recommendations, the commission believes that the salaries for the first year of the next term should reflect the increase in the Consumer Price Index (CPI) since 2006 – the last year in which the salaries for Governor and Lieutenant Governor were increased. The CPI increased by 10.2% during this period. The commission recommends a 10.0% increase for the first year of the next term. For years two through four, the commission recommends a \$5,000 per year increase in the salary for the Governor and a \$4,000 per year increase in the salary for Lieutenant Governor. This equates to an approximate 3.0% annual increase and in year four of next term the \$180,000 salary for the Governor would be almost equal to the level of compensation currently received by the highest paid county executives in Maryland.

Accordingly, the commission recommends the following salary increases for the Governor and Lieutenant Governor for the 2011 through 2014 term of office:

Governor	
First Year	\$165,000
Second Year	\$170,000
Third Year	\$175,000
Fourth Year	\$180,000

Lieutenant Governor	
First Year	\$137,500
Second Year	\$141,500
Third Year	\$145,500
Fourth Year	\$149,500

These proposals are incorporated in a legislative joint resolution, which is included as **Appendix 19** of this report.

The State constitution requires that the commission’s salary recommendation shall be introduced as a joint resolution in each house of the General Assembly, not later than the fifteenth day of the session. The General Assembly may amend the joint resolution to decrease the recommended salaries but may not increase the salaries above the level recommended by the commission.

The commission discussed the benefits provided to the Governor and Lieutenant Governor. Due to changes made to the retiree health benefit in legislation enacted in 2011 which increased the years of service required to be eligible for the benefit to 10 years and changed the accrual rate to 1/25 of the benefit for each year of service, the commission recommended that future Governors vest immediately upon assuming the office for the purpose of the retiree health benefit and to accrue 1/16 of the maximum State subsidy for each year served.

With respect to the Governor’s pension, Section 29 of the Budget Reconciliation and Financing Act of 2011 (Chapter 397) directed the commission – taking into account the sustainability of the pension system – to make specific recommendations in its report on appropriate benefit and member contribution level. The commission recommends that the age at which future Governors begin receiving pension payments be raised from the current 55 year of age to 62 years of age. This change recognizes increasing life expectancy rates and more closely aligns with recent age requirement changes made to State employee pension systems. The proposals to increase the retirement age and modify the retiree health benefit are incorporated in legislation

which is included as **Appendix 20** of this report.

At the request of Governor Martin J. O’Malley (**Appendix 2**), the commission reviewed salaries for the constitutional offices of the Attorney General, Comptroller, State Treasurer, and Secretary of State. The commission’s recommendation to increase the salaries of these officials is included in a letter to the Governor (**Appendix 3**). State Treasurer Nancy K. Kopp did not participate or vote on the proposals related to the salaries of the other constitutional officers. The commission voted to recommend the following salaries for the other constitutional officers representing the same percentage increase recommended for the Governor and Lieutenant Governor.

Comptroller, Treasurer, and Attorney General

First Year	\$137,500
Second Year	\$141,500
Third Year	\$145,500
Fourth Year	\$149,500

Secretary of State

First Year	\$96,500
Second Year	\$99,500
Third Year	\$102,500
Fourth Year	\$105,500

The necessary legislation to accomplish this is included as **Appendix 21** of this report.

The salary would be in effect for the term of office 2015 through 2019 and may not be increased during the term of office except as provided in the proposed legislation.

Introduction

The Maryland Constitution ratified by the voters in 1867 established the salary for the State's chief executive at \$4,500. This remained the salary until the voters approved a constitutional amendment in 1954 raising the salary to \$15,000. An amendment adopted in 1966 elevated the salary to \$25,000. A 1976 constitutional amendment created a gubernatorial salary setting mechanism – the Governor's Salary Commission. The Governor's Salary Commission met for the first time in late 1977 and issued its first report in January 1978.

The 1976 constitutional amendment (**Appendix 1**) created a seven-member commission which includes the State Treasurer, three persons appointed by the President of the Senate, and three persons appointed by the Speaker of the House of Delegates. Appointees serve a four-year term. Members of the General Assembly and officers and employees of the State or a political subdivision of the State are not eligible for appointment to the commission. The constitutional amendment provides as follows:

The commission must submit salary recommendations for Governor and Lieutenant Governor to the General Assembly within ten calendar days after the beginning of the last regular General Assembly session in a four-year term of office. A joint resolution incorporating the recommendations must be introduced in each House of the General Assembly by the fifteenth day of the session. If the commission does not recommend any change in salary, no joint resolution needs to be introduced and the salaries for the two offices will not change during the next four-year term. If the commission does not submit salary recommendations, salaries for the two offices will not change during the next four-year term.

The General Assembly may endorse or reduce the commission's proposals but may not increase the proposed salaries. Failure to adopt a joint resolution within 50 calendar days following its introduction results in adoption of the salaries recommended by the commission.

Neither the commission nor the General Assembly may recommend or endorse salaries lower than those received by the incumbent Governor and Lieutenant Governor.

Salaries resulting from these actions take effect at the beginning of the next term of office, *i.e.*, January 21, 2015.

Prior Commission Reports

There have been nine prior salary commission reports (**Appendix 4**). The General Assembly adopted, without modification, the joint resolution incorporating the salary recommendations of the first three commissions. The General Assembly amended the joint resolution of the fourth commission's recommendations by reducing the recommended salary of the Governor and Lieutenant Governor. The fifth commission in 1994 recommended no increase for the Governor and Lieutenant Governor. As no change was recommended in 1994, no action was required by the General Assembly in 1994. The General Assembly rejected the increases recommended by the sixth commission in 1998. The General Assembly adopted the increases recommended by the seventh commission in 2002. The General Assembly rejected the increases recommended by the eighth and ninth commissions in 2006 and 2010 respectively.

Although the commission's constitutional responsibilities extend only to salary recommendations for the offices of Governor and Lieutenant Governor, prior reports have addressed other aspects of gubernatorial compensation. Also, the Governor has requested prior commissions to make recommendations regarding the salaries of the Attorney General, Comptroller, Treasurer, and Secretary of State.

The salary commission's first report (January 1978) recommended increasing the Governor's salary from \$25,000 to \$60,000. Frozen at \$25,000 since 1967, Maryland's gubernatorial salary ranked last among the 50 states and was lower than the salary paid to many elected and appointed Maryland officials. The next three commissions proposed gubernatorial salary adjustments principally to reflect changes in living costs, to maintain acceptable salary relationships both within the State service and with the governors of other states, and to avoid the possibility of the Governor's dependence on other sources of income.

The fifth commission recommended no change in the salaries on the basis that the relationship between the salaries of the Governor and other key administrative posts in Maryland government had remained unchanged during the previous four years.

The sixth commission recommended increasing the Governor's salary from \$120,000 to \$135,000 because the Governor was paid less than two cabinet secretaries and the Chief Judge of the Court of Appeals. Significantly, the commission predicted that a number of State and local officials would have salaries that exceeded the Governor's by the end of the current term of the Governor.

The seventh commission recommended increasing the Governor's Salary from \$120,000 to \$150,000, beginning with a \$15,000 increase to \$135,000 in 2003 and annual increments of \$5,000 over the remaining three years of the four-year term of office beginning in calendar 2003.

The eighth commission recommended increasing the Governor's salary by \$5,000 a year for the four-year term in order to maintain the salary relationships within State and local

government service. These increases would have resulted in a salary level of \$170,000 after the fourth increase.

The ninth commission recommended increasing the Governor's salary by \$5,000 per year for years three and four of the term. The modest level of increases proposed, combined with the delay in implementing any increase until the third year of the term, was intended to show sensitivity to the budget difficulties facing the State during the economic downturn then being experienced while still making some progress toward providing a salary commensurate with the duties of the office.

The first commission also reviewed other gubernatorial benefits. It proposed legislation revising the Governor's pension plan. The adopted plan remained in effect until 2003 with few changes. One change to the pension plan, which was recommended by the 1985 commission and adopted by the 1986 General Assembly, was the incorporation of a cost-of-living adjustment similar to that provided State employees under the State Employees' Pension System (Consumer Price Index (CPI) with a 3% cap). A second change to the plan adopted by the 1990 General Assembly increased the pension of a two-term Governor from one-third to one-half of the final salary. The 2002 commission recommended legislation to amend the pension provisions to make the pension allowance for all Governors calculated as a percentage of the current salary of a Governor. The 2003 General Assembly adopted the legislation.

The last eight commissions accepted and acted on a request from the Governor to recommend salaries for the constitutional offices of Attorney General, Comptroller, Treasurer, and Secretary of State. The changes recommended to these salaries generally have been in line with those recommended for the Lieutenant Governor. The exception to this is the salary of the Secretary of State, which is set significantly below that of the other constitutional offices. Finally, the 1989 commission recommended the introduction of legislation establishing a minimum pension benefit of 10% of the final salary for the Lieutenant Governor and the other constitutional officers and the establishment of immediate vesting rights for these individuals. This legislation was passed by the 1990 General Assembly.

Activities in 2013

The commission met two times in December 2013. As prescribed by the Constitution, the commission developed salary recommendations for the offices of Governor and Lieutenant Governor. As the commission has recommended changes to the salaries of the Governor and Lieutenant Governor, a joint resolution (see **Appendix 19**) specifying the salaries needs to be introduced during the 2014 session of the General Assembly.

The commission examined all of the benefits provided the Governor and determined that changes were needed with respect to the retiree health benefit. Legislation enacted in 2011 increased the years of service needed to qualify for the benefit from 5 to 10 and changed the rate of accrual from 1/16th per year to 1/25th per year of service. Since Governors may serve no more

than two consecutive terms, future Governors with no other creditable service would not be able to meet the 10 year service requirement. The commission, therefore, recommends that for purposes of the retiree health benefit, Governors vest immediately upon taking office and accrue 1/16 of the maximum state subsidy for each year of service.

With respect to the Governor's pension, Section 29 of the Budget Reconciliation and Financing Act of 2011 (Chapter 397) directed the commission – taking into account the sustainability of the pension system – to make specific recommendations in its report on appropriate benefit and member contribution level. The commission recommends that the age at which future Governors begin receiving pension payments be raised from the current 55 year of age to 62 years of age. This change recognizes increasing life expectancy rates and more closely aligns with recent age requirement changes made to State employee pension systems. Legislation necessary to implement the retirement age and retiree health changes is included as Appendix 20 of this report.

The Governor requested that the commission recommend salary levels for the constitutional offices of Attorney General, Comptroller, Treasurer, and Secretary of State (**Appendix 2**). The commission has again recommended the same increases in the salaries of the Comptroller, State Treasurer, and Attorney General that are recommended for the Lieutenant Governor. The commission has recommended approximately the same percentage increase each year for the Secretary of State. These recommendations are included in a letter to the Governor (**Appendix 3**); and the legislation necessary to implement these recommendations is included as **Appendix 21**.

The following are the minutes of the commission's two 2013 meetings:

December 11, 2013

Members in Attendance: Mr. Joe Rubino, Mr. Fred Schram, Mr. Barry P. Gossett, Dr. Zaneb Beams, and Treasurer Nancy K. Kopp.

The first meeting of the commission began by electing Senator Robert R. Neall as chairman. Then the members reviewed constitutional requirements and the prior commission report. The commission acknowledged a letter received from the Governor requesting time be taken to consider and recommend salaries for the other constitutional officers (Comptroller, Attorney General, State Treasurer, and Secretary of State). Charts were provided comparing the Maryland Governor's salary to other states based on population, general revenues, and per capita income, as well as county level and cabinet salaries.

The commission discussed the fact that the salaries have been unchanged for nine years. The previous two commissions had recommended changes and were rejected by the General Assembly. Equity was brought up by multiple members as an issue to be considered, to make sure that the salary matches more closely with the responsibilities by the job. One member

brought up the issue that the salary being relatively low could result in Maryland losing out on great candidates who would not be able to potentially take a pay cut to serve.

In addition to a salary discussion, the Budget Reconciliation and Financing Act (BRFA) of 2011 contained a section requiring the compensation commissions (Judicial, General Assembly, and Governor) to also make a recommendation on the appropriate benefit and member contribution levels of the respective pensions. The BRFA of 2011 raised the required employee pension contribution level from 5 to 7% of salary, resulting in a discussion of an appropriate level of contribution for the Governor, which is currently noncontributory.

A new issue before the commission relates to retiree health benefits. In 2011, legislation modified the vesting and benefit accrual rate for the retiree health benefit for State employees to raise the vesting from 5 to 10 years and benefit accrual from 1/16th of the full subsidy per year to 1/25th per year. Governors have been and will continue to be eligible to participate in retiree health benefits, but the new requirements would mean that if a Governor were to serve two terms and have no other creditable State service, she/he would not have the minimum numbers of years to vest. There was discussion with some concern expressed that this should be addressed; although one member did point out that it was unlikely that a candidate based the decision to run for Governor on the existence of a retiree health benefit.

At the end of the meeting, there seemed to be agreement by all members that one additional meeting (scheduled for next Tuesday, December 17, 2013, at 7:00 p.m.) would be sufficient to complete the commission's work. For the next meeting, staff will have a calculation of what the Governor's salary would be today if it had simply been increased each year by the Consumer Price Index since the last time that the salary was increased nine years ago. Also, staff was asked to provide information on the value of the retiree health benefit.

December 17, 2013

Members in Attendance: Senator Robert R. Neall, Mr. Joe Rubino, Mr. Fred Schram (by proxy), Mr. Bruce M. Plaxen, Mr. Barry P. Gossett, Dr. Zaneb Beams, and Treasurer Nancy K. Kopp.

Senator Robert A. Neall called the meeting to order and then invited Simon Powell to present on the decisions made by the General Assembly Compensation Commission (GACC).

GACC made a salary increase for legislators by \$1,707 per year for each of the years 2015 through 2018, which is based on the CPI divided out over four years. The last time GACC made an increase was 2002, which was a 35% increase in order to play catch-up. GACC also made pension increases and recommended changing the retirement age from 55 years of age to 62 years of age. Regarding retiree health, the decision was to not change the vesting period, remaining at 8 years, but new legislators earn 1/20th per year of service from the current 1/16th of service.

The Governor's Salary Commission then turned to the salary discussion specifically for the Governor. There were five indexes presented by staff, as asked for in the previous meeting, including CPI. The salary increase options ranged from 10 to 22%.

Dr. Beams suggested using a CPI index going forward. Treasurer Kopp raised the issue that the recommendation provided by the commission may be reduced by the General Assembly but may not be increased. The discussion then focused on the difference between playing catch-up over the last eight years of no increase and adjusting for the next four years.

Senator Neall suggested increasing a significant amount the first year (possibly \$20,000), then \$5,000 a year for the next three, in order to reach \$190,000 by 2018. The members concurred that an increase should be made. Which index to use was then up for discussion, including whether a round number or a percentage should be used. Options include CPI, county executive competitiveness, and comparison versus other states.

Mr. Rubino agreed with Dr. Beams in regards to using CPI as the index to make an increase. The CPI for the years since the last raise was 10.2%. Senator Neall suggested keeping the recommendation simple and making the increases round numbers; \$15,000 is 10.0%, which makes up for the last eight years, and then \$5,000 per year for the remaining three years calculates to approximately a 3.0% increase per year. Mr. Rubino moved, and Dr. Beams seconded, a motion to increase the governor's salary from \$150,000 to \$165,000 for 2015, then increasing \$5,000 per year resulting in \$180,000 for 2018. The vote was unanimous, including the proxy vote given to Joe Rubino from Fred Schram.

The discussion then turned to the salary of the constitutional officers (Attorney General, Comptroller, Treasurer, and Lieutenant Governor). Treasurer Kopp recused herself from the discussion on constitutional officers including the salary of the Treasurer. Mr. Gossett began the discussion, referencing that the previous commission took the percentage increase recommended for the Governor and applied the same to the constitutional officers, which would result in a \$12,500 raise for 2015. Senator Neall suggested a round number of \$4,000 per year instead of applying a percentage increase to the constitutional officers. Through discussion, the members decided to increase the salary by \$4,000 per year from 2016 to 2018. Mr. Gossett made a motion, Dr. Beams seconded, and the vote was unanimous, with Treasurer Kopp abstaining.

The Secretary of State has a different salary, currently \$87,500. Mr. Rubino made a motion, and Mr. Plaxen seconded, to apply the same rationale to the Secretary of State, increasing to \$96,500 in 2015 and then \$3,000 per year from 2016 to 2018. The vote was unanimous, with Treasurer Kopp abstaining.

The next topic up for discussion was the vesting age for the Governor. Currently, the Governor vests at 55 years of age. GACC increased the age to 62, which is current with the state personnel pension system. Treasurer Kopp and Senator Neall offered a change of the vesting age to 62 years of age, the vote was unanimous.

The final topic to be discussed by the commission was retiree health benefits. An individual can vest into the system after 10 years in the status quo. A Governor is unable to serve 10 years consecutively, so even a two-term Governor might not be able to vest without any other State service. The topic of the number of years to vest and the multiplier were discussed in the prior meeting. Discussion was based on the potential of vesting for the current system at 10 years, accruing at a rate of $1/25^{\text{th}}$ per year, but prior to 2011 it was 5 years, with an accrual rate of $1/16^{\text{th}}$ per year. Senator Neall brought up the point that Cabinet Secretaries vest immediately and that might be applied to the Governor. Other members were agreeable to that decision. The final motion was made by Mr. Gossett, and seconded by Mr. Rubino, to have the Governor vest immediately and then accrue at one sixteenth per year. The vote was unanimous.

Senator Neall then asked if any further business needed to be addressed or discussed by the commission and, hearing none, adjourned the commission, thanking everyone for a smooth and efficient meeting.

Compensation Theory

The commission used several compensation principles to guide development of its gubernatorial salary recommendation. This section discusses the compensation principles and relates them to salary data reviewed by the commission.

Relationship to Salaries Paid to Other Maryland Officials

The commission agreed that the salary of the Governor should be higher than the salaries paid to other major elected officials in State and local government and the Judiciary. This is because the Office of Governor includes a greater variety of tasks and responsibilities.

The commission notes that the tasks and responsibilities of the Lieutenant Governor are primarily a function of assignments made by the Governor. Thus, compensation for the Lieutenant Governor should track more closely with salaries paid to other elected or appointed State government officials. The commission believes that the salaries of the Attorney General, Comptroller, and Treasurer should continue to be equal to that of the Lieutenant Governor's and not significantly less than that of appointed officials within their departments. The salary of the Secretary of State should continue at a level significantly below that of the other constitutional officers and cabinet officials to recognize the significantly lower responsibilities of the position.

A Commensurate Wage

This commission believes that salaries paid to the Governor and Lieutenant Governor should be sufficient to attract highly qualified candidates and provide a standard of living similar to other major political figures in the State and nation. The Office of Governor should not be reserved for individuals with other substantial sources of income. Nevertheless, the commission concluded that an individual does not run for Governor because of the salary. However, individuals with outstanding ability must be able to devote all their time to the office without experiencing a substantial drop in living standards and the ability to meet the needs of a family.

Maintaining a wage commensurate with the office requires that the Governor's salary keep pace with increases in the cost of living. In the past, the commission was concerned with this issue and considered giving the Governor annual salary increases that were tied to the federal CPI. The commission again decided against taking this approach but recognized the need to adjust the Governor's salary on an annual basis to reduce the disparity between the Governor's salary and the salaries of other State officials at the end of the four-year term.

Comparability with Other States

The commission considers comparability with other states useful but less important than other criteria. Although duties and responsibilities of the 50 state governors are similar, problems, issues, and priorities faced by governors can vary widely. Salaries paid to a chief executive do not necessarily reflect these differences or how well a governor manages state government. It is likely that other states will review current salaries and will adopt increases for their governors. The commission believes the salaries and benefits received by Maryland's Governor should be competitive with those received by governors in other states.

Other Considerations

Several other criteria guided the commission's gubernatorial salary determination. The commission noted that positions with similar levels of responsibility in the private sector would be rewarded with significantly higher salaries. The commission also considered the complexity of problems facing State government.

Review of Compensation Data

Salaries Paid to Other Maryland Officials

The commission reviewed salaries paid to cabinet secretaries, the Judiciary, the mayor of Baltimore City, county executives of the largest counties, and State employees. The commission noted that the Governor is currently paid less than 12 of 19 cabinet secretaries, the judges of the Court of Appeals, the judges of the Court of Special Appeals, and the Chief Judge of the District Court. The commission realizes that it is important to hire qualified individuals to run major State departments. This might necessitate a salary that is greater than that of the Governor's. Despite this, the commission did not believe that these individuals should be paid significantly more than the Governor because they are responsible to the Governor.

As shown in **Appendix 6**, the commission notes that salaries of several key administrative officials in State Government had increased significantly over the past two terms. Salaries for 13 of 19 cabinet secretary salaries had increased by at least 5.0% over the 2007 to 2010 term with most receiving an increase of at least 2.0% over the most recent term. Salary increases for judges over the 2007 to 2010 time period ranged between 7.4 and 12.5% and have ranged between 2.8 and 3.6% over the past four years.

As shown in **Appendix 18**, the salary for the Montgomery County executive exceeded that of the Governor in fiscal 2006. Since fiscal 2010, the salary for the Baltimore County executive has equaled that of the Governor, and the salaries for the mayor of Baltimore City and the county executives for Howard, Montgomery and Prince George's have all exceeded that of the Governor.

Gubernatorial Salaries – Other States

The commission also compared the salary of the Governor of Maryland to that of other states. The salary of \$150,000 currently paid to the Maryland Governor ranks twelfth (in a tie with Connecticut) in the nation and after the recommended increase to \$165,000 in January 2015 would be ranked tenth, assuming no change in salary levels in other states. As shown in **Appendices 9** through **12**, the twelfth overall salary ranking for Maryland's Governor is somewhat higher than it would be if governor's salaries were based on state general revenues (Maryland ranks sixteenth), or population (Maryland ranks nineteenth), but is somewhat lower than it would be if based on per capita income (Maryland ranks second.) Maryland's ranking has changed slightly for all but one measure, dropping from eleventh to twelfth in overall salary, rising from to seventeenth to sixteenth in the ranking of state general funds, and rising from fifth to second in the per capita income ranking. Maryland maintained its nineteenth place in ranking by population.

Salary Determinations

The commission reviewed salary and related information summarized in the earlier parts of this report. Applying the compensation principles outlined earlier, the commission recommends the following increases in the salaries of the Governor and Lieutenant Governor for the term of office 2015 through 2019:

Governor		Lieutenant Governor	
First Year	\$165,000	First Year	\$137,500
Second Year	\$170,000	Second Year	\$141,500
Third Year	\$175,000	Third Year	\$145,500
Fourth Year	\$180,000	Fourth Year	\$149,500

The recommended salaries for the first year equate to 10.0% increases over the current salaries and are intended to recapture lost purchasing power due to inflation. The CPI has increased by 10.2% since these salaries were last increased in 2006. The increases for years two through four of the next term equate to average annual increases of 3.0%. If the increases were spread over the 2007 to 2018 period, the average annual increase would be 1.5%. The commission noted that by year four of next term, the recommended salary for the Governor would almost match the current salaries of the two highest paid county executives in Maryland.

The commission, pursuant to a request from the Governor, as indicated in Appendix 2, also suggests that the salaries of the Attorney General, Comptroller, and Treasurer be increased consistent with the salary recommended for the Lieutenant Governor. As the commission considered the salaries of the other constitutional officers' salaries together, Treasurer Kopp participated in neither the discussions nor the determinations. The commission determined that it is important that the existing salary parity be maintained between these officials and the Lieutenant Governor. The commission recommends the same percentage increase each year for the Secretary of State, but at a significantly lower level. Accordingly, the commission has recommended the following salaries for these constitutional officials:

Comptroller, Treasurer, and Attorney General		Secretary of State	
First Year	\$137,500	First Year	\$96,500
Second Year	\$141,500	Second Year	\$99,500
Third Year	\$145,500	Third Year	\$102,500
Fourth Year	\$149,500	Fourth Year	\$105,500

The salaries of the other constitutional officers are fixed by statute in Sections 4-103, 5-104, 6-103, and 7-107 of the State Government Article of the Annotated Code for each year during the four-year term of office (2011-2015). The statute is required because as four-year term officials, these officials are not entitled to annual increases unless legislation prescribes the salaries to be paid before these officials are sworn in as four-year term officials. The required

legislation to amend the current statute to reflect the commission's recommendations for the 2015-2019 term is provided in Appendix 21. The commission forwarded this legislation along with its recommendations on the other constitutional officer salaries in its letter to the Governor (Appendix 3).

Personal Benefits of Elected Office

The commission realizes that its constitutional responsibilities extend only to salary recommendations for the Office of Governor and Lieutenant Governor. However, previous commissions were requested to review other aspects of compensation such as retirement and other benefits. The commission reviewed the retirement provisions applicable to both offices as well as other benefits.

Governor's Retirement Provisions

The Governor's retirement benefit, as amended in 1990, established a noncontributory gubernatorial pension beginning at age 55, equal to one-third of the salary received at the time of leaving office if the Governor served one term, and one-half of the salary at the time of leaving office if the Governor served two terms (State Personnel and Pensions Section 22-405). The initial retirement allowance was adjusted annually by the change in the federal consumer price index to a maximum of 3%. This was amended in 2003 pursuant to a recommendation by the 2002 commission to make the pension allowance for all former Governors calculated as a percentage of the current salary of a Governor. The pension allowance is now one-third of the current Governor's salary for a one-term former Governor, and one-half for a former two-term Governor. The pension allowance is adjusted to reflect increases in the current Governor's salary.

If the Governor leaves office due to disability, the retirement allowance begins immediately and continues through the period of disability. A surviving spouse receives 50% of the retirement benefit the Governor received or would have received.

The commission notes that the Governor's retirement allowance is more generous than other retirement benefits (**Appendix 7**). It recognizes that a Governor, in many instances, will have a limited period of State service compared to other State officials and employees. Nevertheless, given increasing life expectancy rates and recent changes in age requirements for other State pension systems, the commission recommends that the age at which future Governors begin receiving their pension be increased to 62 years of age.

Lieutenant Governor/Constitutional Officers' Retirement Provisions

The retirement benefits of the Lieutenant Governor and the other constitutional officers are the same as for members of the State Employees' Pension System unless the individual had State service prior to January 1, 1980, and elected to remain in the State Employees' Retirement System. There are two exceptions: the constitutional officers have immediate vesting rights and receive a minimum benefit equal to 10% of their salary received during their last term of service

as a constitutional officer. The two exceptions were recommended by the commission in its 1989 report and adopted by the 1990 General Assembly. The commission believes the 1990 statute created a reasonable minimum level of retirement benefits for the constitutional officers and makes no further recommendations for modifications in the retirement provisions for the constitutional officers.

Other Benefits

The Governor and the other constitutional officers are eligible to participate in other employee benefit programs in the same manner as State employees. For some of these programs, the State pays 100% of costs; in some, the State and the employees share the cost; and for some, the employee pays 100% of the cost. The following benefits are included:

- health insurance programs (State/employee sharing);
- prescription drug program (State/employee sharing);
- vision program (State/employee sharing);
- dental program (State/employee sharing);
- catastrophic health coverage (employee);
- accidental death/dismemberment insurance (employee);
- life insurance (employee);
- tax sheltered health spending account (employee);
- tax sheltered child care spending account (employee);
- workers' compensation (State);
- credit union membership (employee); and
- deferred compensation 457 and 401(k) programs (employee).

Except for workers' compensation, these benefits are optional. The constitutional officers, if retired, receive the same level of benefits as retired State employees.

The commission is aware that the costs of the health insurance programs change from year to year with an increase in cost for both the employee and the State. It also recognizes that the constitutional officers as well as the employees may decide to select different coverage either increasing or decreasing their costs with a corresponding effect on the State subsidy. The commission notes that the Governor and the constitutional officers would not be eligible for additional benefits for State employees that were initially created or enacted during their term of office until the beginning of the next term.

The commission finds that current practices, with respect to other benefits, has functioned in a satisfactory manner and – other than the recommendation to modify the retiree health benefit for Governors discussed earlier – makes no recommendations as to modifications to the current practices for other benefits received by the constitutional offices.

Other Aspects of Elected Office

From time to time, media articles have focused on other aspects relating to the Office of Governor including transportation, security, residence, and expenses. In 1993, a national magazine undertook a survey of the 50 states and published a report comparing the states. In turn, this survey generated additional media coverage.

Transportation

The State provides the Governor with a limousine and a smaller vehicle driven by the State Police. The State has an executive aircraft (airplane) that is at the Governor's disposal when it is not used to transport prisoners extradited to Maryland. This practice is consistent with other states and reflects the prestige and role of the Office of Governor. Other states routinely utilize planes and helicopters to transport governors. Early in the Governor Ehrlich Administration, the State yacht, *Independence*, was sold on an e-bay auction; therefore, a State yacht is no longer available for use by the Governor. The other constitutional officers are furnished a State vehicle and have a State Police driver.

The commission notes the various means of transportation provided to the Governor and the constitutional officers are funded in the State budget and are subject to review by the General Assembly during the budget process. The commission believes the emphasis on a particular type of transportation will reflect both the preference and style of a Governor. The commission also believes that transportation is not part of a Governor's compensation but plays an integral role in enabling a Governor to perform the duties of the office. The current transportation alternatives available to the Governor of Maryland appear appropriate for the office.

Security

The provision of a security detail for the Governor reflects the visibility of the office, the fact that decisions made by a Governor will at times adversely affect some individuals, and the increased level of violence that occurs frequently and without provocation. For these reasons, a Governor needs security whether at home, in the office, attending meetings or conferences, or traveling. The number of security personnel and their deployment is primarily a judgment to be made by the Maryland State Police.

The security detail provided to the Governor is funded in the budget and subject to review by the General Assembly as part of the budget process. Providing security is not a benefit in the normal sense of the word, but rather a necessity reflecting the position of Governor. The provision for State Police to drive the other constitutional officers is recognition

of the security aspects of these offices, albeit at a less intensive level than the Office of Governor.

Mansion

Section 21 of Article II of the State Constitution requires the Governor of Maryland to reside in Annapolis, "the seat of government." The State provides the Governor with a mansion adjacent to the State House and with staff, operating costs, and a Mansion Fund. The commission notes that the mansion serves not only as the home for the Governor but also as a location for conducting the Governor's ceremonial activities. It serves as a focal point for entertaining visitors, for promoting the State, and for recognizing the deeds and efforts of various groups and individuals. The mansion reflects the prestige of the Office of Governor and is important in assisting the Governor in conducting the ceremonial responsibilities of the office. Although the Governor and family benefit from living there, the mansion primarily is for the benefit of the State rather than the individual.

The costs involved in staffing and operating the mansion are included in the Department of General Services budget and are subject to scrutiny by the General Assembly. The commission believes the budget is the appropriate process for considering funding issues related to the mansion.

The commission was advised that the \$100,000 Mansion Fund is available for the Governor to spend for the conduct of the ceremonial aspects of the office, including the giving of ceremonial gifts. The commission was also advised that the Governor exercises considerable discretion as to the manner in which the Mansion Fund is spent, that the fund could be subject to restrictions imposed by the General Assembly as part of the budget process, and that the fund is subject to legislative audit as to procedural aspects or to any restrictions that may be imposed by the General Assembly.

The commission recognizes that the Governor should have the preeminent role with respect to operation of the mansion, including the Mansion Fund. The commission notes that the General Assembly retains the authority to impose levels of restrictions on the Mansion Fund and that the fiscal and managerial aspects of the mansion, including the Mansion Fund, are subject to legislative audit. The commission believes these are the appropriate mechanisms as to the oversight of public funding for the Governor's mansion.

In summary, the commission finds that aspects such as transportation, security, and the mansion are integral parts of the Office of Governor and are not direct benefits for the individual who serves as Governor.

Constitution of Maryland Article II § 21A
Section 21A. Salaries of Governor and Lieutenant Governor;
Governor's Salary Commission

- (a) The salaries of the Governor and Lieutenant Governor shall be as provided in this section.
- (b) The Governor's Salary Commission is created. It consists of seven members: The State Treasurer; three appointed by the President of the Senate; and three appointed by the Speaker of the House of Delegates. Members of the General Assembly and officers and employees of the State or a political subdivision of the State are not eligible for appointment to the commission. The members of the commission shall elect a member to be chairman, and the concurrence of at least five members is required for any formal commission action. The terms of members shall be for four 4 years, except that the persons first appointed to the commission shall serve from June 1, 1977 until May 31, 1980. The members of the commission are eligible for reappointment. Members shall serve without compensation but shall be reimbursed for expenses incurred in carrying out responsibilities under this section.
- (c) Within 10 days after the commencement of the regular session of the General Assembly in 1978, and within 10 days after the commencement of the regular session of the General Assembly each fourth year thereafter, the commission shall make a written recommendation to the Governor, Lieutenant Governor, and other members of the General Assembly as to the salary of the Governor and Lieutenant Governor.
- (d) The recommendation shall be introduced as a joint resolution in each House of the General Assembly not later than the fifteenth day of the session. The General Assembly may amend the joint resolution to decrease the recommended salaries, but may not amend the joint resolution to increase the recommended salaries. If the General Assembly fails to adopt a joint resolution in accordance with this section within 50 days after its introduction, the salaries recommended by the commission shall apply. If the General Assembly amends the joint resolution in accordance with this section, the salaries specified in the joint resolution, as amended, shall apply. If the commission recommends no salary change, a joint resolution shall not be introduced.
- (e) The commission may not recommend salaries lower than that received by the incumbent Governor at the time the recommendation is made; and the General Assembly may not amend the joint resolution to provide for salaries lower than that received by the incumbent Governor and Lieutenant Governor.

- (f) A change in salary resulting from either commission recommendation or amended joint resolution under this section shall take effect at the beginning of the next ensuing term of the Governor and Lieutenant Governor.
- (g) Commission inaction or failure of the commission to meet the requirements of this section with respect to proposing a change in salary for the Governor and Lieutenant Governor shall result in no change in salary.



STATE OF MARYLAND
OFFICE OF THE GOVERNOR

MARTIN O'MALLEY
GOVERNOR

STATE HOUSE
100 STATE CIRCLE
ANNAPOLIS, MARYLAND 21401-1925
410-974-3901
TOLL FREE: 1-800-811-8336
TTY USERS CALL VIA MD RELAY

December 10, 2013

Governor's Salary Commission
c/o Department of Legislative Services
90 State Circle
Annapolis, Maryland 21401

Dear Members of the Governor's Salary Commission:

Thank you for serving on the Governor's Salary Commission. For over 30 years, the Commission has served the people of Maryland well.

As you know, the Governor's Salary Commission is required by the Constitution to make recommendations for the salary of the Governor and Lieutenant Governor. Each Commission, beginning with the first one, has also made recommendations regarding the salary for Maryland's four other Constitutional officers – the Treasurer, Comptroller, Attorney General, and Secretary of State. I request that the Commission continue this practice and make recommendations for these Constitutional officers.

Thank you in advance for considering this request and please do not hesitate to contact me if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin O'Malley".

Governor





GOVERNOR'S SALARY COMMISSION

January 9, 2014

The Honorable Martin J. O'Malley
 Governor of Maryland
 State House
 Annapolis, Maryland 21401

Dear Governor O'Malley:

In your letter of December 28, 2013, you asked the Governor's Salary Commission to recommend salary levels for the constitutional offices of the Treasurer, Comptroller, Attorney General, and Secretary of State. Salaries of these officers must be established prior to January 2015 and remain fixed for the four-year term ending January 2019. The commission is pleased to furnish you with its views on this matter.

The commission considered the existing salary relationships among the four offices, noting that the Comptroller, Treasurer, and Attorney General will receive \$125,000 and the Secretary of State will receive \$87,500 for the last year of the current four-year term. In establishing its recommendations for the salaries of these four constitutional offices, the commission examined various data. Among them were the salaries of constitutional officers in other states, the salaries of various Maryland officials, including the Governor and Lieutenant Governor, and the changes to salaries of cabinet secretaries and other State employees over the last four fiscal years.

The commission is recommending the following increases in the salaries of the Governor and Lieutenant Governor for each year of the term of office 2007 through 2010:

<u>Governor</u>		<u>Lieutenant Governor</u>	
First Year	\$165,000	First Year	\$137,500
Second Year	170,000	Second Year	141,500
Third Year	175,000	Third Year	145,500
Fourth Year	180,000	Fourth Year	149,500

The largest increase (10%) occurs in the first year of the next term to reflect the increase in the Consumer Price Index since the salaries were last increased. For years two through four of the next term the commission is recommending a \$5,000/year increase in the salary of the Governor and \$4,000/year in the salary of the Lieutenant Governor. At the end of the next term, the Governor's salary will approximate the current salaries of the highest paid county executives in Maryland.

The commission believes that the current salary parity of the Comptroller, Treasurer, and Attorney General with the Lieutenant Governor should be continued for the next term of office. (Although a member of the commission, State Treasurer Nancy K. Kopp did not participate in the discussion of these salaries.) The salary of the Secretary of State should continue to be set at a level that is significantly below that of the other constitutional offices and cabinet secretaries to reflect the position's less significant role in Maryland State government. We therefore suggest that the Secretary of State receive approximately the same percentage salary increases as the other constitutional officers with a 10% increase in the first year followed by \$3,000/year increases for years two through four. Accordingly, the commission voted to recommend the following salaries for these constitutional officers for each year of the four-year term of office:

<u>Comptroller, Treasurer, and Attorney General</u>		<u>Secretary of State</u>	
First Year	\$137,500	First Year	\$96,500
Second Year	141,500	Second Year	99,500
Third Year	145,500	Third Year	102,500
Fourth Year	149,500	Fourth Year	105,500

The Honorable Martin J. O'Malley
January 9, 2014
Page 3

We have enclosed the necessary legislation to accomplish this. The commission trusts you find these suggestions helpful in formulating the next operating budget.

Respectfully submitted,

Robert R. Neall, Chairman

Zaneb K. Beams

Bruce M. Plaxon

Barry P. Gossett

F. Joseph Rubino

Nancy K. Kopp, State Treasurer

Frederick Schram

Summary of Prior Governor's Salary Commission Recommendations

2009/2010

Commission Recommendations

Action

Governor

Rejected. Remains at \$150,000.

First Year	\$155,000
Second Year	160,000
Third Year	165,000
Fourth Year	170,000

Lieutenant Governor

Rejected. Remains at \$125,000.

First Year	\$129,167
Second Year	133,333
Third Year	137,500
Fourth Year	141,667

Suggested Following Salaries Per Governor's Request

Attorney General

Rejected. Remains at \$125,000.

Comptroller

Rejected. Remains at \$125,000.

Treasurer

Rejected. Remains at \$125,000.

First Year	\$129,167
Second Year	133,333
Third Year	137,500
Fourth Year	141,667

Secretary of State

Rejected. Remains at \$87,500.

First Year	\$90,417
Second Year	93,333
Third Year	96,250
Fourth Year	99,167

2005/2006

Commission Recommendations

Action

Governor

Rejected. Remains at \$150,000.

First Year	\$155,000
Second Year	160,000
Third Year	165,000
Fourth Year	170,000

Lieutenant Governor

Rejected. Remains at \$125,000.

First Year	\$129,167
Second Year	133,333
Third Year	137,500
Fourth Year	141,667

Suggested Following Salaries Per Governor's Request

Attorney General

Rejected. Remains at \$125,000.

Comptroller

Rejected. Remains at \$125,000.

Treasurer

Rejected. Remains at \$125,000.

First Year	\$129,167
Second Year	133,333
Third Year	137,500
Fourth Year	141,667

Secretary of State

Rejected. Remains at \$87,500.

First Year	\$90,417
Second Year	93,333
Third Year	96,250
Fourth Year	99,167

2001/2002

Commission Recommendations

Action

Governor Adopted.

First Year	\$135,000
Second Year	140,000
Third Year	145,000
Fourth Year	150,000

Lieutenant Governor Adopted.

First Year	\$112,500
Second Year	116,667
Third Year	120,833
Fourth Year	125,000

Suggested Following Salaries Per Governor's Request

Attorney General Adopted.

Comptroller Adopted.

Treasurer Adopted.

First Year	\$112,500
Second Year	116,667
Third Year	120,833
Fourth Year	125,000

Secretary of State Adopted.

First Year	\$78,750
Second Year	81,667
Third Year	84,583
Fourth Year	87,500

Other

Proposed legislation to make the pension allowance for all former Governors calculated as a percentage of the current salary of a Governor. A former Governor serving one term would receive one-third of the current salary of the Governor and serving two terms would receive one-half of the current salary of the Governor. ENACTED.

1997/1998

Commission Recommendations

Action

<i>Governor</i>	\$155,000	Rejected. Remains at \$120,000.
<i>Lieutenant Governor</i>	\$129,167	Rejected. Remains at \$100,000.

Suggested Following Salaries Per Governor's Request

<i>Attorney General</i>	\$115,000	Rejected. Remains at \$100,000.
<i>Comptroller</i>	\$115,000	Rejected. Remains at \$100,000.
<i>Treasurer</i>	\$115,000	Rejected. Remains at \$100,000.
<i>Secretary of State</i>	\$80,000	Rejected. Remains at \$70,000.

1993/1994

Commission Recommendations

Action

<i>Governor</i>	No increase recommended.	Remains at \$120,000.
<i>Lieutenant Governor</i>	No increase recommended.	Remains at \$100,000.

Suggested Following Salaries Per Governor's Request

<i>Attorney General</i>	No increase recommended.	Remains at \$100,000.
<i>Comptroller</i>	No increase recommended.	Remains at \$100,000.
<i>Treasurer</i>	No increase recommended.	Remains at \$100,000.
<i>Secretary of State</i>	No increase recommended.	Remains at \$70,000.

1989/1990

Commission Recommendations

Action

<i>Governor</i>	\$135,000	Amended: \$120,000.
<i>Lieutenant Governor</i>	\$115,000	Amended: \$100,000.

Suggested Following Salaries Per Governor's Request

<i>Attorney General</i>	\$115,000	Amended: \$100,000.
<i>Comptroller</i>	\$115,000	Amended: \$100,000.
<i>Treasurer</i>	\$115,000	Amended: \$100,000.
<i>Secretary of State</i>	\$80,000	Amended: \$70,000.

Other

Recommend no change to the Governor's Retirement Plan.

The General Assembly enacted a bill increasing the retirement allowance for a Governor serving two full terms from one-third to one-half of final salary.

Proposed legislation making two changes to retirement plan of constitutional officers, including the Lieutenant Governor:

- *immediate vesting in lieu of current five-year vesting requirement; and*
- *establishment of minimum pension benefit equal to 10% of final salary for constitutional officers serving at least one full term.*

1985/1986

Commission Recommendations

Action

<i>Governor</i>	\$85,000	Adopted.
<i>Lieutenant Governor</i>	\$72,500	Adopted.

Suggested Following Salaries Per Governor's Request

<i>Attorney General</i>	\$72,500	Adopted.
<i>Comptroller</i>	\$72,500	Adopted.
<i>Treasurer</i>	\$72,500	Adopted.
<i>Secretary of State</i>	\$52,500	\$45,000

Other

Proposed legislation incorporating cost-of-living adjustment into gubernatorial retirement plan in the same manner as under the State Employees' Pension System (CPI increase with 3% cap).
ENACTED.

1981/1982

Commission Recommendations

Action

<i>Governor</i>	\$75,000	Adopted.
<i>Lieutenant Governor</i>	\$62,500	Adopted.

Suggested Following Salaries Per Governor's Request

<i>Attorney General</i>	\$62,500	Adopted.
<i>Comptroller</i>	\$62,500	Adopted.
<i>Treasurer</i>	\$62,500	Adopted.
<i>Secretary of State</i>	\$40,000	\$45,000

Other

Recommend no change to the Governor's Retirement Plan.

Found expenditure accounting procedures of Governor's Mansion Fund satisfactory as long as documentation and records continue to be available for review by the public and legislative auditor.

1977/1978

Commission Recommendations

Action

Governor \$60,000 Adopted.

Lieutenant Governor \$52,500 Adopted.

Other

Proposed legislation establishing pension for governors leaving office after January 17, 1979 – one-third of Governor's highest salary with cost-of-living increases per State Employees' Retirement System.

Bill enacted with amendment eliminating cost-of-living provision.

Proposed legislation consolidating appropriations relating to the operation of Government House.

Amended bill vetoed by Governor but recommendation substantially implemented through budgetary action of Governor Hughes but repealed by action of Governor Schaefer.

Proposed legislation establishing a \$20,000 transition allowance for governors leaving office after January 17, 1979.

Bill failed.

State Employee Compensation History
General Salary Increases, Increments, and Other Compensation
Fiscal 2003-2014

State Employees

<u>Fiscal Year</u>	<u>Date of Increase</u>	<u>General Salary Increase</u>	<u>Increments</u>	<u>Additional Police, Natural Resources Police, and Park Ranger Salary Increases</u>	<u>Maximum Deferred Compensation Match by State</u>	<u>Pay-for-Performance Bonuses</u>	<u>Annual Salary Review Reclassifications</u>	<u>Other</u>
2003		None	None		\$500	None	None	
2004		None	None		None	None	None	
2005	7/1/2004	\$752	On time		None	None	Yes ¹	
2006	7/1/2005	1.5%	On time		\$400	None	Yes ²	
2007	7/1/2006	\$900, \$1,400, or 2.0% ³	On time	2.0% extra, 9.0% extra for State police (primarily, DGS and DHMH officers)	\$600	None	Yes ⁴	2 steps on standard salary schedule; 1 step on the physician's salary schedule
2008	7/1/2007	2.0%	On time		\$600	None	None	
2009	7/1/2008	2.0%	On time		\$600	None	Yes ⁵	2-5 day furlough enacted ⁶
2010	7/1/2009	None	None		\$0	None	None	3-10 day furlough enacted ⁷
2011	7/1/2010	None	None		\$0	None	None	3-10 day furlough enacted ⁸
2012	7/1/2011	None	None	Negotiated increments	\$0	\$750 bonus ⁹	None	Furloughs ended
2013	1/1/2013	2.0%	None		\$0	None	Yes ¹⁰	
2014	1/1/2014	3.0%	On 4/1/2014	Negotiated increments	\$0	None	Yes ¹¹	

DGS: Department of General Services
DHMH: Department of Health and Mental Hygiene

(1) The following classifications were provided upgrades: public defenders, social services attorneys, assistant general counsels (human relations), assistant State prosecutors, direct service workers in the Department of Juvenile Services, property assessors, laboratory scientists, administrative law judges, and banking financial examiners.

(2) Provided a one-grade salary adjustment for the Deputy State Fire Marshal classification series.

(3) The fiscal 2007 general salary increases are \$900 for employees making less than \$45,000 at the end of fiscal 2006; \$1,400 for employees making \$70,000 or more; and 2% for those remaining.

(4) The fiscal 2007 annual salary review provides reclassifications and other enhancements for correctional officers and correctional support personnel, registered nurses, licensed practical nurses, direct care assistants, forensic scientists, institutional educators, administrative law judges, and teacher's aides.

(5) The fiscal 2009 annual salary review provides reclassifications and other enhancements for scientists, investigators, engineers, public defender intake specialist, veteran service, cemetery workers, call center specialists, complex tax auditor, tax consultant, retirement benefits counselor, medical care specialist, dental workers, financial regulation, deputy fire marshal, lead aviation maintenance technician, police communications operators, and civilian helicopter pilots.

(6) State employee salaries were reduced through furloughs in fiscal 2009 by Executive Order 01.01.2008.20 in December 2008. The salaries for employees earning \$40,000 were reduced by the value of two days' salary; those earning between \$40,000 and \$59,999 were reduced by the value of four days' salary; and those earning \$60,000 or above were reduced by five days' salary. Public safety and positions required to maintain 24/7 facilities were exempted from the action. The result was an average salary reduction of approximately 1.5%.

(7) State employee salaries were reduced through furloughs and salary reductions in fiscal 2010 by Executive Order 01.01.2009.11 in August 2009. All employees are subject to a temporary salary reduction of five salary days, while non-24/7 employees with salaries between \$40,000 and \$49,999 are furloughed for an additional three days, those between \$50,000 and \$99,999 for extra four days; and those earning over \$100,000 are furloughed for additional five days. The result was an average salary reduction of approximately 2.6%.

(8) State employee salaries were reduced through furloughs and salary reductions in fiscal 2011 by Executive Order 01.01.2010.11 in May 2010. The structure mirrors the fiscal 2010 program.

(9) The fiscal 2012 budget provided employees with a one-time \$750 bonus.

(10) The fiscal 2013 allowance provides upgrades to the following classifications: contribution tax auditors; Maryland correctional enterprise industries representative I, II, and regional managers. Two new classes were also created – nutrient management specialist III and forensic behavioral specialists

(11) The fiscal 2014 allowance provides one grade for the following classifications: Emergency Medical Services' communication officer staff; State Department of Assessment and Taxation assessors; personnel classifications at the Department of Health and Mental Hygiene, the Department of Human Resources, and the Department of Public Safety and Correctional Services (DPSCS); and civilian fixed wing pilots, aviation technicians, and inspectors at the State Police. Parole and probation agents at DPSCS that are agent 1, receive a one-grade increase, agent II and Senior currently at base, step, 1 or step 2 are moved up to step 3. Personnel officers in the employee relations function at the Department of Budget and Management are moved into a 4-level class series

**Salaries of Selected Maryland State Officials
Fiscal 2007-2014**

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>% Change 2007-10</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>% Change 2011-14</u>
Constitutional Officers										
Governor	\$150,000	\$150,000	\$150,000	\$150,000	0.00%	\$150,000	\$150,000	\$150,000	\$150,000	0.00%
Lieutenant Governor	125,000	125,000	125,000	125,000	0.00%	125,000	125,000	125,000	125,000	0.00%
Attorney General	125,000	125,000	125,000	125,000	0.00%	125,000	125,000	125,000	125,000	0.00%
Comptroller	125,000	125,000	125,000	125,000	0.00%	125,000	125,000	125,000	125,000	0.00%
Treasurer	125,000	125,000	125,000	125,000	0.00%	125,000	125,000	125,000	125,000	0.00%
Secretary of State	87,500	87,500	87,500	87,500	0.00%	87,500	87,500	87,500	87,500	0.00%
Deputy Constitutional Officers										
Attorney General	\$129,713	\$135,046	\$140,460	\$143,270	10.45%	\$143,270	\$143,270	\$143,270	\$146,136	2.00%
Comptroller	124,203	128,603	151,210	154,235	24.18%	154,235	154,235	154,235	157,320	2.00%
Treasurer	110,033	117,260	119,606	127,762	16.11%	127,762	127,762	136,706	139,441	9.14%
Judiciary										
Judge, Court of Appeals	\$144,352	\$153,352	\$162,352	\$162,352	12.47%	\$162,352	\$162,352	\$162,352	\$166,908	2.81%
Ch. Judge Court of Appeals	163,352	172,352	181,352	\$181,352	11.02%	181,352	181,352	181,352	185,908	2.51%
Judge, Special Appeals	134,552	142,052	149,552	\$149,552	11.15%	149,552	149,552	149,552	154,108	3.05%
Ch. Judge Ct. Spec. Appeals	137,552	145,052	152,552	\$152,552	10.90%	152,552	152,552	152,552	157,108	2.99%
Judge, Circuit Court	128,352	134,352	140,352	\$140,352	9.35%	140,352	140,352	140,352	144,908	3.25%
Judge, District Court	118,502	122,752	127,252	\$127,252	7.38%	127,252	127,252	127,252	131,808	3.58%
Ch. Judge, District Court	134,552	142,052	149,552	\$149,552	11.15%	149,552	149,552	149,552	154,108	3.05%

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>% Change 2007-10</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>% Change 2011-14</u>
Cabinet Secretaries										
Superintendent of Schools	\$185,000	\$195,000	\$195,000	\$195,000	5.41%	\$195,000	\$195,000	\$195,000	\$210,000	7.69%
Aging	123,776	125,176	122,400	124,848	0.87%	124,848	124,848	124,848	127,345	2.00%
Planning	126,214	127,614	122,400	124,848	-1.08%	124,848	124,848	124,848	127,345	2.00%
Veterans	94,718	96,118	101,490	80,160	-15.37%	101,490	104,092	104,092	106,174	4.62%
Budget & Management	153,563	154,963	162,825	166,082	8.15%	166,082	166,082	166,082	169,404	2.00%
General Services	129,628	131,028	135,660	138,374	6.75%	138,374	138,374	138,374	141,142	2.00%
Transportation	149,862	151,262	162,825	166,082	10.82%	166,082	166,082	166,082	169,404	2.00%
Natural Resources	129,442	130,842	145,860	148,778	14.94%	148,778	148,778	148,778	151,754	2.00%
Agriculture	127,440	128,840	127,500	130,050	2.05%	130,050	130,050	130,050	132,651	2.00%
Health & Mental Hygiene	158,232	159,632	162,825	166,082	4.96%	166,082	166,082	166,082	169,404	2.00%
Human Resources	128,160	129,560	151,210	159,000	24.06%	159,000	142,800	154,820	157,917	-0.68%
Labor, Licensing, & Reg.	136,305	137,705	140,460	143,270	5.11%	143,270	155,941	158,974	153,000	6.79%
Public Safety	147,924	149,324	162,825	166,082	12.28%	166,082	166,082	166,082	169,404	2.00%
Higher Education Commission	141,283	142,683	151,170	154,194	9.14%	154,194	154,194	110,356	145,530	-5.62%
Housing	135,965	137,365	145,860	148,778	9.42%	148,778	148,778	148,778	151,754	2.00%
Bus. & Econ. Development	147,897	149,297	162,825	166,082	12.30%	155,000	155,000	155,000	158,000	1.94%
Environment	134,645	136,045	132,600	135,252	0.45%	135,252	115,356	141,026	143,847	6.35%
Juvenile Services	140,854	142,254	153,000	156,060	10.80%	156,060	156,060	150,162	153,166	-1.85%
State Police	128,160	129,560	162,825	166,082	29.59%	166,082	166,082	155,000	158,100	-4.81%

Source: Maryland State Budget Bills Fiscal 2007-2014 adjusted to reflect changes in Judiciary salaries resulting from adoption of compensation commission recommendations

Comparison of Maryland State Retirement and Pension Plans

Allowance	<u>General Assembly</u>	<u>Governor</u>	<u>Judges</u>	<u>Employees and Teachers Pension Systems¹</u>	<u>State Police</u>	<u>Law Enforcement Officers' System</u>	<u>Correctional Officers' System</u>
Participation	Optional	Automatic	Condition of employment	Condition of employment	Condition of employment	Condition of employment	Condition of employment
Vesting							
Hired on or Before 6/30/11	8 years of service	One full term	Immediate	5 years of service	5 years of service	5 years of service	5 years of service
<i>Hired on or After 7/1/11; or Judges Hired on or After 7/1/12</i>	<i>No change</i>	<i>No change</i>	<i>5 years of service</i>	<i>10 years of service</i>	<i>10 years of service</i>	<i>10 years of service</i>	<i>10 years of service</i>
Employee Contributions²	5.0% of salary, for 22 years, 3 months	None	8.0% of salary, for 16 years (was 6.0%)	7.0% of salary (was 5.0%)	8.0% of salary	7.0% of salary (was 4.0%)	5.0% of salary
Service Retirement Conditions							
Hired on or Before 6/30/11	Age 60; or age 50 with 8 years, reduced benefit	Age 55	Age 60	Age 62 or 30 years of service; or age 55 with 15 years, reduced benefit	Age 50 or 22 years of service	Age 50 or 25 years of service	20 years of service, with at least the last 5 years as a correctional officer
<i>Hired on or After 7/1/11; or Judges Hired on or After 7/1/12</i>	<i>No change</i>	<i>No change</i>	<i>Age 60 with 5 years of service</i>	<i>Age 65 with 10 years of service or Rule of 90³; or age 60 with 15 years, reduced benefit</i>	<i>Age 50 or 25 years of service</i>	<i>No change</i>	<i>No change</i>
Allowance							
Hired on or Before 6/30/11	3.0% of current legislative salary per year of service	1/3 of current annual salary for one term; or 1/2 of current annual salary for two terms	2/3 of active judge salary at 16 years	1.2% of salary for years of service prior to 7/1/98; plus 1.8% of salary for years of service on or after 7/1/98 (calculated on highest 3 consecutive years of salary)	2.55% per year of service (calculated on highest 3 years of salary)	2.0% per year if subject to the LEOPS modified pension benefit; otherwise 2.3% for first 30 years and 1.0% for each year thereafter (calculated on highest 3 consecutive years of salary)	1.8% per year of service (calculated on highest 3 years of salary)

Allowance	<u>General Assembly</u>	<u>Governor</u>	<u>Judges</u>	<u>Employees and Teachers Pension Systems¹</u>	<u>State Police</u>	<u>Law Enforcement Officers' System</u>	<u>Correctional Officers' System</u>
Allowance <i>Hired on or After 7/1/11</i>	<i>No change</i>	<i>No change</i>	<i>No change</i>	<i>1.5% of salary (calculated on highest 5 consecutive years of salary)</i>	<i>Calculated on highest 5 years of salary</i>	<i>Calculated on highest 5 consecutive years of salary</i>	<i>Calculated on highest 5 years of salary</i>
Post Retirement Adjustments⁴							
Service Credit Earned on or Before 6/30/11	Based on salary of active legislators	Based on salary of current Governor	Based on salary of active judges	Limited to 3.0% of initial benefit	Unlimited annual cost-of-living adjustment (COLA)	Limited to 3.0% of initial benefit	Unlimited annual COLA
<i>Service Credit Earned on or After 7/1/11</i>	<i>No change</i>	<i>No change</i>	<i>No change</i>	<i>Limited to 2.5% in any year the system earns the assumed rate of return; otherwise limited to 1.0%</i>	<i>Limited to 2.5% in any year the system earns the assumed rate of return; otherwise limited to 1.0%</i>	<i>Limited to 2.5% in any year the system earns the assumed rate of return; otherwise limited to 1.0%</i>	<i>Limited to 2.5% in any year the system earns the assumed rate of return; otherwise limited to 1.0%</i>
Ordinary Disability Retirement							
Conditions	Active legislator must have 8 years of service and be certified disabled by the BOT medical board	General Assembly adopts resolution by 3/5 th vote that Governor is unable to perform duties of office due to physical or mental disability	Incapacitated for duty	Incapacitated for duty after 5 years eligibility service	Incapacitated for duty after 5 years eligibility service	Incapacitated for duty after 5 years eligibility service	Incapacitated for duty after 5 years eligibility service
Allowance	3.0% of current legislative salary per year of service	If in first term, 1/3 of current annual salary; if in second term, 1/2 of current salary	Service retirement with minimum of 33.3% of salary	Service retirement projected to age 62	Service retirement with minimum of 35.0% of salary	Service retirement projected to age 50	Service retirement with minimum of 25.0% of salary

Allowance	<u>General Assembly</u>	<u>Governor</u>	<u>Judges</u>	<u>Employees and Teachers Pension Systems¹</u>	<u>State Police</u>	<u>Law Enforcement Officers' System</u>	<u>Correctional Officers' System</u>
Accidental Disability Retirement							
Conditions	Not applicable	Not applicable	Not applicable	Permanently and totally disabled by accident in the performance of duty	Permanently and totally disabled by accident in the performance of duty	Permanently and totally disabled by accident in the performance of duty	Permanently and totally disabled by accident in the performance of duty
Allowance	Not applicable	Not applicable	Not applicable	2/3 of salary plus annuity based on member contributions	2/3 of salary plus annuity based on member contributions	2/3 of salary plus annuity based on member contributions	2/3 of salary plus annuity based on member contributions

BOT: Board of Trustees for the State Retirement and Pension System

LEOPS: Law Enforcement Officers' Pension System

¹ The Employees' and Teachers' Retirement Systems are not shown because the systems closed to new members as of December 31, 1979.

² Employee contributions for judges were increased to 8% as of July 1, 2012; contributions for employees and teachers were increased to 7% as of July 1, 2011; and contributions for LEOPS members were increased to 6% as of July 1, 2011 and 7% as of July 1, 2012.

³ Rule of 90: The sum of an employee's age and years of service must equal 90 or more.

⁴ Other post-retirement adjustment formulas apply to retirees who retired on or before June 30, 2011, retirees of the Employees' and Teachers' Retirement Systems, and retirees who chose various selection options.

Source: Department of Legislative Services, September 2013

Salaries of Constitutional Officers – 2013

<u>State</u>	<u>Governor</u>	<u>Lt. Governor</u>	<u>Secretary of State</u>	<u>Attorney General</u>	<u>Treasurer</u>	<u>Comptroller</u>
Alabama	(a)	\$134,592	\$85,248	\$160,003	\$85,248	\$131,633
Alaska	\$145,000	115,000	(b)	135,000	121,716	126,612
Arizona	95,000	(c)	70,000	90,000	70,000	117,702
Arkansas	86,890	41,896	54,305	72,408	54,305	110,486
California	173,987	130,490	130,490	151,127	139,189	139,189
Colorado	90,000	68,500	68,500	80,000	68,500	126,540
Connecticut	150,000	110,000	110,000	110,000	110,000	110,000
Delaware	171,000	78,553	127,590	145,207	113,374	147,370
Florida	130,273	124,851	140,000	128,972	128,972	128,972
Georgia	139,339	91,609	123,637	137,791	145,000	148,000
Hawaii	117,312	114,420	(d)	114,420	108,972	108,972
Idaho	117,000	35,100	99,450	105,300	99,450	99,450
Illinois	177,412	135,669	156,541	156,541	135,669	135,669
Indiana	111,688	85,881	74,580	89,722	74,581	(e)
Iowa	130,000	103,212	103,212	123,669	103,212	121,284
Kansas	99,636	54,000	86,003	98,901	86,003	113,000
Kentucky	153,970	115,593	115,593	115,593	115,593	106,152
Louisiana	130,000	115,000	115,000	115,000	115,000	167,000
Maine	70,000	(f)	69,264	92,248	69,264	90,355
Maryland	150,000	125,000	87,500	125,000	125,000	125,000
Massachusetts	139,832	124,295	130,262	133,644	130,916	154,669
Michigan	159,300	111,510	112,410	112,410	174,204	131,840
Minnesota	120,303	78,197	90,227	114,288	(g)	(g)
Mississippi	122,160	60,000	90,000	108,960	90,000	(h)
Missouri	133,821	86,484	107,746	116,437	107,746	95,288
Montana	108,167	86,362	86,018	104,077	(h)	84,968
Nebraska	105,000	75,000	85,000	95,000	85,000	101,500
Nevada	149,573	63,648	102,898	141,086	102,898	102,898
New Hampshire	113,834	(f)	104,364	110,114	104,364	104,364

<u>State</u>	<u>Governor</u>	<u>Lt. Governor</u>	<u>Secretary of State</u>	<u>Attorney General</u>	<u>Treasurer</u>	<u>Comptroller</u>
New Jersey	175,000	141,000	(b)	141,000	141,000	141,000
New Mexico	110,000	85,000	85,000	95,000	85,000	109,000
New York	179,000	151,500	120,800	151,500	127,000	151,500
North Carolina	141,265	124,676	124,676	124,676	124,676	155,159
North Dakota	116,999	90,828	93,071	138,159	87,890	117,708
Ohio	148,886	78,041	109,554	109,986	109,986	150,405
Oklahoma	147,000	114,713	90,000	132,850	114,713	100,000
Oregon	93,600	(c)	72,000	77,200	72,000	106,974
Pennsylvania	187,256	157,293	134,824	155,797	155,797	131,561
Rhode Island	129,210	108,808	108,808	115,610	108,808	119,343
South Carolina	106,078	46,545	92,007	92,007	92,007	92,007
South Dakota	100,972	61,800 ⁽ⁱ⁾	80,714	100,876	80,714	(e)
Tennessee	178,356	(f)	187,452	173,352	187,452	187,452
Texas	150,000	7,200	125,880	150,000	(j)	150,000
Utah	109,470	104,000	(b)	98,509	104,000	126,214
Vermont	142,542	60,507	95,139	113,901	90,376	(g)
Virginia	175,000	36,321	152,793	150,000	157,249	140,671
Washington	166,891	93,948	116,950	151,718	116,950	(g)
West Virginia	150,000	(f)	95,000	95,000	95,000	(e)
Wisconsin	144,423	76,261	68,566	140,147	68,566	114,385
Wyoming	105,000	(c)	92,000	143,328	92,000	(e)

^(a) Governor Robert Bentley is not accepting a salary until the unemployment rate in Alabama drops.

^(b) Lieutenant Governor function.

^(c) Secretary of State function.

^(d) No specific administrative official or agency in charge of function.

^(e) Auditor or pre-audit function.

^(f) In Maine, New Hampshire, Tennessee, and West Virginia, the presidents (or speakers) of the Senate are next in line of succession to the governorship. In Tennessee and West Virginia, the Speaker of the Senate bears the statutory title of Lieutenant Governor.

^(g) Finance function.

^(h) Administrative function.

⁽ⁱ⁾ Part-time.

^(j) Comptroller function.

Source: The Council of State Governments; *The Book of the States: 2013 Edition*

State Ranking of Governors' Salaries

<u>Rank</u>	<u>State</u>	<u>2013 Salary</u>	<u>2009 Salary</u>	<u>% Change</u>
1	Pennsylvania	\$187,256	\$174,914	7.06%
2	New York	179,000	179,000	0.00%
3	Tennessee	178,356	164,292	8.56%
4	Illinois	177,412	177,500	-0.05%
5	New Jersey	175,000	175,000	0.00%
5	Virginia	175,000	175,000	0.00%
7	California	173,987	212,179	-18.00%
8	Delaware	171,000	171,000	0.00%
9	Washington	166,891	166,891	0.00%
10	Michigan	159,300	177,000	-10.00%
11	Kentucky	153,970	142,498	8.05%
12	Connecticut	150,000	150,000	0.00%
12	Maryland	150,000	150,000	0.00%
12	Texas	150,000	150,000	0.00%
12	West Virginia	150,000	95,000	57.89%
16	Nevada	149,573	141,000	6.08%
17	Ohio	148,886	144,269	3.20%
18	Oklahoma	147,000	147,000	0.00%
19	Alaska	145,000	125,000	16.00%
20	Wisconsin	144,423	137,092	5.35%
21	Vermont	142,542	142,542	0.00%
22	North Carolina	141,265	139,590	1.20%
23	Massachusetts	139,832	140,535	-0.50%
24	Georgia	139,339	139,339	0.00%
25	Missouri	133,821	133,821	0.00%
26	Florida	130,273	132,932	-2.00%
27	Iowa	130,000	130,000	0.00%
27	Louisiana	130,000	130,000	0.00%
29	Rhode Island	129,210	117,817	9.67%
30	Mississippi	122,160	122,160	0.00%
31	Minnesota	120,303	120,303	0.00%
32	Hawaii	117,312	123,480	-5.00%
33	Idaho	117,000	108,727	7.61%
34	North Dakota	116,999	100,030	16.96%
35	New Hampshire	113,834	113,834	0.00%
36	Indiana	111,688	95,000	17.57%
37	New Mexico	110,000	110,000	0.00%
38	Utah	109,470	109,900	-0.39%
39	Montana	108,167	100,121	8.04%
40	South Carolina	106,078	106,078	0.00%
41	Nebraska	105,000	105,000	0.00%
41	Wyoming	105,000	105,000	0.00%
43	South Dakota	100,972	115,331	-12.45%
44	Kansas	99,636	110,707	-10.00%
45	Arizona	95,000	95,000	0.00%
46	Oregon	93,600	93,600	0.00%
47	Colorado	90,000	90,000	0.00%
48	Arkansas	86,890	87,352	-0.53%
49	Maine	70,000	70,000	0.00%
50	Alabama	0*	112,895	—

*Governor Robert Bentley is not accepting a salary until the unemployment rate in Alabama drops.

Source: The Council of State Governments; *The Book of the States: 2009 Edition*, Vol. 41

Governors' Salaries Ranked by State General Revenues

<u>Rank</u>	<u>State</u>	<u>2009 Salary</u>	<u>2005 Salary</u>	<u>% Change</u>	<u>General Revenue \$ in Thousands</u>
1	California	\$173,987	\$212,179	-18.00%	\$142,927,463
2	New York	179,000	179,000	0.00%	88,640,813
3	Texas	150,000	150,000	0.00%	64,288,789
4	Florida	130,273	132,932	-2.00%	47,486,660
5	Pennsylvania	187,256	174,914	7.06%	45,656,641
6	Illinois	177,412	177,500	-0.05%	39,788,077
7	Ohio	148,886	144,269	3.20%	37,707,073
8	New Jersey	175,000	175,000	0.00%	36,883,804
9	Michigan	159,300	177,000	-10.00%	34,802,577
10	Massachusetts	139,832	140,535	-0.50%	30,758,571
11	North Carolina	141,265	139,590	1.20%	29,803,864
12	Virginia	175,000	175,000	0.00%	28,681,524
13	Washington	166,891	166,891	0.00%	24,048,996
14	Minnesota	120,303	120,303	0.00%	23,632,196
15	Georgia	139,339	139,339	0.00%	21,901,338
16	Maryland	150,000	150,000	0.00%	21,684,192
17	Wisconsin	144,423	137,092	5.35%	21,597,017
18	Indiana	111,688	95,000	17.57%	20,591,592
19	Connecticut	150,000	150,000	0.00%	16,923,583
20	Arizona	95,000	95,000	0.00%	16,105,419
21	Tennessee	178,356	164,292	8.56%	15,375,775
22	Missouri	133,821	133,821	0.00%	15,067,790
23	Colorado	90,000	90,000	0.00%	14,856,336
24	Kentucky	153,970	142,498	8.05%	14,543,181
25	Louisiana	130,000	130,000	0.00%	14,406,106
26	Alabama	0	112,895	-100.00%	14,395,261
27	South Carolina	106,078	106,078	0.00%	14,101,763
28	Oregon	93,600	93,600	0.00%	13,214,540
29	Oklahoma	147,000	147,000	0.00%	12,325,729
30	Arkansas	86,890	87,352	-0.53%	11,117,905
31	Iowa	130,000	130,000	0.00%	11,053,370
32	Kansas	99,636	110,707	-10.00%	10,047,317
33	Alaska	145,000	125,000	16.00%	9,624,998
34	Utah	109,470	109,900	-0.39%	9,469,719
35	Mississippi	122,160	122,160	0.00%	8,916,360
36	New Mexico	110,000	110,000	0.00%	8,490,181
37	West Virginia	150,000	95,000	57.89%	7,965,706
38	Nevada	149,573	141,000	6.08%	7,617,002
39	Hawaii	117,312	123,480	-5.00%	7,285,231
40	Nebraska	105,000	105,000	0.00%	5,987,566
41	Delaware	171,000	171,000	0.00%	5,662,509
42	Maine	70,000	70,000	0.00%	5,007,698
43	North Dakota	116,999	100,030	16.96%	4,946,010
44	Idaho	117,000	108,727	7.61%	4,539,438
45	Rhode Island	129,210	117,817	9.67%	4,425,487
46	New Hampshire	113,834	113,834	0.00%	4,114,855
47	Wyoming	105,000	105,000	0.00%	3,655,917
48	Vermont	142,542	142,542	0.00%	3,592,519
49	Montana	108,167	100,121	8.04%	3,354,033
50	South Dakota	100,972	115,331	-12.45%	2,245,368

Source: The Council of State Governments; *The Book of the States: 2013 Edition*; Annual Survey of State and Local Government Finance, U.S. Census Bureau (July 2013)

Governors' Salaries Ranked by Population

<u>Rank</u>	<u>State</u>	<u>2013 Salary</u>	<u>2009 Salary</u>	<u>% Change</u>	<u>Population 2012</u>
1	California	\$173,987	\$212,179	-18.00%	38,041,430
2	Texas	150,000	150,000	0.00%	26,059,203
3	New York	179,000	179,000	0.00%	19,570,261
4	Florida	130,273	132,932	-2.00%	19,317,568
5	Illinois	177,412	177,500	-0.05%	12,875,255
6	Pennsylvania	187,256	174,914	7.06%	12,763,536
7	Ohio	148,886	144,269	3.20%	11,544,225
8	Georgia	139,339	139,339	0.00%	9,919,945
9	Michigan	159,300	177,000	-10.00%	9,883,360
10	North Carolina	141,265	121,391	139,590	1.20%
11	New Jersey	175,000	175,000	0.00%	8,864,590
12	Virginia	175,000	175,000	0.00%	8,185,867
13	Washington	166,891	166,891	0.00%	6,897,012
14	Massachusetts	139,832	140,535	-0.50%	6,646,144
15	Arizona	95,000	95,000	0.00%	6,553,255
16	Indiana	111,688	95,000	17.57%	6,537,334
17	Tennessee	178,356	164,292	8.56%	6,456,243
18	Missouri	133,821	133,821	0.00%	6,021,988
19	Maryland	150,000	150,000	0.00%	5,884,563
20	Wisconsin	144,423	137,092	5.35%	5,726,398
21	Minnesota	120,303	120,303	0.00%	5,379,139
22	Colorado	90,000	90,000	0.00%	5,187,582
23	Alabama	0	112,895	-100.00%	4,822,023
24	South Carolina	106,078	106,078	106,078	0.00%
25	Louisiana	130,000	130,000	0.00%	4,601,893
26	Kentucky	153,970	142,498	8.05%	4,380,415
27	Oregon	93,600	93,600	0.00%	3,899,353
28	Oklahoma	147,000	147,000	0.00%	3,814,820
29	Connecticut	150,000	150,000	0.00%	3,590,347
30	Iowa	130,000	130,000	0.00%	3,074,186
31	Mississippi	122,160	122,160	0.00%	2,984,926
32	Arkansas	86,890	87,352	-0.53%	2,949,131
33	Kansas	99,636	110,707	-10.00%	2,885,905
34	Utah	109,470	109,900	-0.39%	2,855,287
35	Nevada	149,573	141,000	6.08%	2,758,931
36	New Mexico	110,000	110,000	0.00%	2,085,538
37	Nebraska	105,000	105,000	0.00%	1,855,525
38	West Virginia	150,000	95,000	57.89%	1,855,413
39	Idaho	117,000	108,727	7.61%	1,595,728
40	Hawaii	117,312	123,480	-5.00%	1,392,313
41	Maine	70,000	96,060	70,000	0.00%
42	New Hampshire	113,834	113,834	0.00%	1,320,718
43	Rhode Island	129,210	117,817	9.67%	1,050,292
44	Montana	108,167	100,121	8.04%	1,005,141
45	Delaware	171,000	171,000	0.00%	917,092
46	South Dakota	100,972	115,331	-12.45%	833,354
47	Alaska	145,000	125,000	16.00%	731,449
48	North Dakota	116,999	100,030	16.96%	699,628
49	Vermont	142,542	142,542	0.00%	626,011
50	Wyoming	105,000	105,000	0.00%	576,412

Source: The Council of State Governments; *The Book of the States: 2013 Edition*; U.S. Census Bureau

Governor's Salaries Ranked by Per-capita Income

<u>Rank</u>	<u>State</u>	<u>2013 Salary</u>	<u>2009 Salary</u>	<u>% Change</u>	<u>Per-capita Income</u>
1	Connecticut	\$150,000	\$150,000	0.00%	\$35,932
2	Maryland	150,000	150,000	0.00%	34,500
3	New Jersey	175,000	175,000	0.00%	34,090
4	Massachusetts	139,832	140,535	-0.50%	34,041
5	Virginia	175,000	175,000	0.00%	32,123
6	New Hampshire	113,834	113,834	0.00%	31,871
7	Alaska	145,000	125,000	16.00%	31,405
8	New York	179,000	179,000	0.00%	30,679
9	Colorado	90,000	90,000	0.00%	29,804
10	Minnesota	120,303	120,303	0.00%	29,404
11	Washington	166,891	166,891	0.00%	29,278
12	Rhode Island	129,210	117,817	9.67%	29,277
13	Delaware	171,000	171,000	0.00%	29,123
14	Vermont	142,542	142,542	0.00%	28,089
15	North Dakota	116,999	100,030	16.96%	28,055
16	Wyoming	105,000	105,000	0.00%	27,973
17	Illinois	177,412	177,500	-0.05%	27,880
18	California	173,987	212,179	-18.00%	27,859
19	Hawaii	117,312	123,480	-5.00%	27,353
20	Pennsylvania	187,256	174,914	7.06%	26,933
21	Nebraska	105,000	105,000	0.00%	26,243
22	Wisconsin	144,423	137,092	5.35%	26,212
23	Maine	70,000	70,000	0.00%	25,802
24	Iowa	130,000	130,000	0.00%	25,667
25	Kansas	99,636	110,707	-10.00%	25,438
26	Oregon	93,600	93,600	0.00%	25,228
27	Nevada	149,573	141,000	6.08%	24,968
28	Florida	130,273	132,932	-2.00%	24,905
29	Ohio	148,886	144,269	3.20%	24,750
30	South Dakota	100,972	115,331	-12.45%	24,701
31	Texas	150,000	150,000	0.00%	24,682
32	Missouri	133,821	133,821	0.00%	24,634
33	Michigan	159,300	177,000	-10.00%	24,409
34	North Carolina	141,265	139,590	1.20%	24,107
35	Montana	108,167	100,121	8.04%	23,893
36	Arizona	95,000	95,000	0.00%	23,793
37	Georgia	139,339	139,339	0.00%	23,604
38	Indiana	111,688	95,000	17.57%	23,524
39	Tennessee	178,356	164,292	8.56%	23,320
40	Oklahoma	147,000	147,000	0.00%	23,016
41	Louisiana	130,000	130,000	0.00%	22,882
42	New Mexico	110,000	110,000	0.00%	22,829
43	Alabama	0	112,895	-100.00%	22,711
44	South Carolina	106,078	106,078	0.00%	22,598
45	Utah	109,470	109,900	-0.39%	22,497
46	Kentucky	153,970	142,498	8.05%	22,300
47	West Virginia	150,000	95,000	57.89%	22,060
48	Arkansas	86,890	87,352	-0.53%	21,203
49	Idaho	117,000	108,727	7.61%	21,152
50	Mississippi	122,160	122,160	0.00%	19,583

Source: The Council of State Governments; *The Book of the States: 2013 Edition*; U.S. Census Bureau

State Ranking of Lieutenant Governor Salaries

<u>Rank</u>	<u>State</u>	<u>Salary</u>
1	Pennsylvania	\$157,293
2	New York	151,500
3	New Jersey	141,000
4	Illinois	135,669
5	Alabama	134,592
6	California	130,490
7	Maryland	125,000
8	Florida	124,851
9	North Carolina	124,676
10	Massachusetts	124,295
11	Kentucky	115,593
12	Alaska	115,000
12	Louisiana	115,000
14	Oklahoma	114,713
15	Hawaii	114,420
16	Michigan	111,510
17	Connecticut	110,000
18	Rhode Island	108,808
19	Utah	104,000
20	Iowa	103,212
21	Washington	93,948
22	Georgia	91,609
23	North Dakota	90,828
24	Missouri	86,484
25	Montana	86,362
26	Indiana	85,881
27	New Mexico	85,000
28	Delaware	78,553
29	Minnesota	78,197
30	Ohio	78,041
31	Wisconsin	76,261
32	Nebraska	75,000
33	Colorado	68,500
34	Nevada	63,648
34	South Dakota	61,800
36	Tennessee	60,609
37	Vermont	60,507
38	Mississippi	60,000

<u>Rank</u>	<u>State</u>	<u>Salary</u>
39	Kansas	54,000
40	South Carolina	46,545
41	Arkansas	41,896
42	Virginia	36,321
43	Idaho	35,100
44	Texas	7,200
n/a	Arizona	(a)
n/a	Maine	(b)
n/a	New Hampshire	(b)
n/a	Oregon	(a)
n/a	West Virginia	(b)
n/a	Wyoming	(a)

^(a) Secretary of State function.

^(b) In Maine, New Hampshire, Tennessee, and West Virginia, the presidents (or speakers) of the Senate are next in line of succession to the governorship. In Tennessee and West Virginia, the Speaker of the Senate bears the statutory title of Lieutenant Governor.

Source: The Council of State Governments; *The Book of the States: 2013 Edition*

State Ranking of Comptroller Salaries

<u>Rank</u>	<u>State</u>	<u>Comptroller</u>
1	Tennessee	\$187,452
2	Louisiana	167,000
3	North Carolina	155,159
4	Massachusetts	154,669
5	New York	151,500
6	Ohio	150,405
7	Texas	150,000
8	Georgia	148,000
9	Delaware	147,370
10	New Jersey	141,000
11	Virginia	140,671
12	California	139,189
13	Illinois	135,669
14	Michigan	131,840
15	Alabama	131,633
16	Pennsylvania	131,561
17	Florida	128,972
18	Alaska	126,612
19	Colorado	126,540
20	Utah	126,214
21	Maryland	125,000
22	Iowa	121,284
23	Rhode Island	119,343
24	North Dakota	117,708
25	Arizona	117,702
26	Wisconsin	114,385
27	Kansas	113,000
28	Arkansas	110,486
29	Connecticut	110,000
30	New Mexico	109,000
31	Hawaii	108,972
32	Oregon	106,974
33	Kentucky	106,152
34	New Hampshire	104,364
35	Nevada	102,898
36	Nebraska	101,500
37	Oklahoma	100,000
38	Idaho	99,450
39	Missouri	95,288

<u>Rank</u>	<u>State</u>	<u>Comptroller</u>
40	South Carolina	92,007
41	Maine	90,355
42	Montana	84,968
n/a	Indiana	(a)
n/a	Minnesota	(b)
n/a	Mississippi	(c)
n/a	South Dakota	(a)
n/a	Vermont	(b)
n/a	Washington	(b)
n/a	West Virginia	(a)
n/a	Wyoming	(a)

^(a) Auditor or pre-audit function.

^(b) Finance function.

^(c) Administrative function.

Source: The Council of State Governments; *The Book of the States: 2013 Edition*

State Ranking of Treasurer Salaries

<u>Rank</u>	<u>State</u>	<u>Treasurer</u>
1	Tennessee	\$187,452
2	Michigan	174,204
3	Virginia	157,249
4	Pennsylvania	155,797
5	Georgia	145,000
6	New Jersey	141,000
7	California	139,189
8	Illinois	135,669
9	Massachusetts	130,916
10	Florida	128,972
11	New York	127,000
12	Maryland	125,000
13	North Carolina	124,676
14	Alaska	121,716
15	Washington	116,950
16	Kentucky	115,593
17	Louisiana	115,000
18	Oklahoma	114,713
19	Delaware	113,374
20	Connecticut	110,000
21	Ohio	109,986
22	Hawaii	108,972
23	Rhode Island	108,808
24	Missouri	107,746
25	New Hampshire	104,364
26	Utah	104,000
27	Iowa	103,212
28	Nevada	102,898
29	Idaho	99,450
30	West Virginia	95,000
31	South Carolina	92,007
32	Wyoming	92,000
33	Vermont	90,376
34	Mississippi	90,000
34	North Dakota	87,890
36	Kansas	86,003
37	Alabama	85,248
38	Nebraska	85,000
38	New Mexico	85,000

<u>Rank</u>	<u>State</u>	<u>Treasurer</u>
40	South Dakota	80,714
41	Indiana	74,581
42	Oregon	72,000
43	Arizona	70,000
44	Maine	69,264
45	Wisconsin	68,566
46	Colorado	68,500
47	Arkansas	54,305
n/a	Minnesota	(a)
n/a	Montana	(b)
n/a	Texas	(c)

^(a) Finance function.

^(b) Administrative function.

^(c) Comptroller function.

Source: The Council of State Governments; *The Book of the States: 2013 Edition*

State Ranking of Attorney General Salaries

<u>Rank</u>	<u>State</u>	<u>Attorney General</u>
1	Tennessee	\$173,352
2	Alabama	160,003
3	Illinois	156,541
4	Pennsylvania	155,797
5	Washington	151,718
6	New York	151,500
7	California	151,127
8	Texas	150,000
8	Virginia	150,000
10	Delaware	145,207
11	Wyoming	143,328
12	Nevada	141,086
13	New Jersey	141,000
14	Wisconsin	140,147
15	North Dakota	138,159
16	Georgia	137,791
17	Alaska	135,000
18	Massachusetts	133,644
19	Oklahoma	132,850
20	Florida	128,972
21	Maryland	125,000
	North	
22	Carolina	124,676
23	Iowa	123,669
24	Missouri	116,437
25	Rhode Island	115,610
26	Kentucky	115,593
27	Louisiana	115,000
28	Hawaii	114,420
29	Minnesota	114,288
30	Vermont	113,901
31	Michigan	112,410
32	New Hampshire	110,114
33	Connecticut	110,000
34	Ohio	109,986
35	Mississippi	108,960
36	Idaho	105,300
37	Montana	104,077
38	South Dakota	100,876

<u>Rank</u>	<u>State</u>	<u>Attorney General</u>
39	Kansas	98,901
40	Utah	98,509
41	Nebraska	95,000
41	New Mexico	95,000
41	West Virginia	95,000
44	Maine	92,248
45	South Carolina	92,007
46	Arizona	90,000
47	Indiana	89,722
48	Colorado	80,000
49	Oregon	77,200
50	Arkansas	72,408

Source: The Council of State Governments; *The Book of the States: 2013 Edition*

State Ranking of Secretary of State Salaries

<u>Rank</u>	<u>State</u>	<u>Secretary of State</u>
1	Tennessee	\$187,452
2	Illinois	156,541
3	Virginia	152,793
4	Florida	140,000
5	Pennsylvania	134,824
6	California	130,490
7	Massachusetts	130,262
8	Delaware	127,590
9	Texas	125,880
10	North Carolina	124,676
11	Georgia	123,637
12	New York	120,800
13	Washington	116,950
14	Kentucky	115,593
15	Louisiana	115,000
16	Michigan	112,410
17	Connecticut	110,000
18	Ohio	109,554
19	Rhode Island	108,808
20	Missouri	107,746
21	New Hampshire	104,364
22	Iowa	103,212
23	Nevada	102,898
24	Idaho	99,450
25	Vermont	95,139
26	West Virginia	95,000
27	North Dakota	93,071
28	South Carolina	92,007
29	Wyoming	92,000
30	Minnesota	90,227
31	Mississippi	90,000
31	Oklahoma	90,000
33	Maryland	87,500
34	Montana	86,018
34	Kansas	86,003
36	Alabama	85,248
37	Nebraska	85,000
37	New Mexico	85,000

<u>Rank</u>	<u>State</u>	<u>Secretary of State</u>
39	South Dakota	80,714
40	Indiana	74,580
41	Oregon	72,000
42	Arizona	70,000
42	Maine	69,264
44	Wisconsin	68,566
45	Colorado	68,500
46	Arkansas	54,305
n/a	Alaska	(a)
n/a	Hawaii	(b)
n/a	New Jersey	(a)
n/a	Utah	(a)

^(a) Lieutenant Governor function.

^(b) No specific administrative official or agency in charge of function.

Source: The Council of State Governments; *The Book of the States: 2013 Edition*

**Mayor and County Executive Salaries
Fiscal 2006-2014**

	<u>2006</u>	<u>2010</u>	<u>2014</u>	<u>% Change 2006-14</u>	<u>% Change 2006-14</u>
Anne Arundel County	\$105,612	\$130,000	\$130,000	0.0%	23.1%
Baltimore City	125,000	151,700	159,380	5.1%	27.5%
Baltimore County	125,000	150,000	150,000	0.0%	20.0%
Harford County	90,000	99,317	105,136	5.9%	16.8%
Howard County	136,717	158,675	163,482	3.0%	19.6%
Montgomery County	158,285	175,000	180,250	3.0%	13.9%
Prince George's County	135,000	174,539	180,474	3.4%	33.7%

Source: Local personnel offices

(Unofficial copy of OLR 1372)

By: **The President (By Request – Governor’s Salary Commission)**

SENATE JOINT RESOLUTION

A Senate Joint Resolution concerning

Governor’s Salary Commission – Salary Recommendations for Governor and Lieutenant Governor

FOR the purpose of establishing the salaries to be paid the Governor and Lieutenant Governor, as directed by Article II, Section 21A of the Maryland Constitution, for the 4–year term of office beginning January 21, 2015.

WHEREAS, Article II, Section 21A of the Maryland Constitution established a seven-member Governor’s Salary Commission composed of the State Treasurer, three members appointed by the President of the Senate, and three members appointed by the Speaker of the House of Delegates. The Governor’s Salary Commission is currently constituted as follows: Nancy K. Kopp, State Treasurer; Barry P. Gossett, Robert R. Neall, and Bruce M. Plaxen appointed by the President of the Senate; Zaneb K. Beams, F. Joseph Rubino, and Frederick Schram appointed by the Speaker of the House of Delegates. The Commission elected Robert R. Neall as Chair; and

WHEREAS, Pursuant to Article II, Section 21A of the Maryland Constitution, this Joint Resolution may be amended to decrease, but not increase, the salaries recommended by the Governor’s Salary Commission. The salaries may not be decreased below their January 2014 levels. If the General Assembly fails to adopt a Joint Resolution in accordance with Article II, Section 21A within 50 calendar days after introduction of this Joint Resolution, the salaries recommended by the Governor’s Salary Commission shall apply effective January 21, 2015. If the General Assembly amends this Joint Resolution, the salaries specified in the Joint Resolution, as amended, shall apply; and

WHEREAS, At the meetings conducted in December 2013, the Commission evaluated gubernatorial compensation relative to a number of principles: growth in the responsibilities of the office; compensation commensurate with the stature of this high office; changes in the cost of living; maintenance of a reasonable differential between the Governor’s salary and that of other major State officials in Maryland; acceptable comparability with salaries of the governors of other states; and changes to salaries of State employees. The Commission selected tentative salaries for the two offices and solicited input from the public. Thereafter, the Commission made

its final determinations

which are presented in this Resolution and discussed in the Commission's Report, dated January 2014; now, therefore, be it

RESOLVED BY THE GENERAL ASSEMBLY OF MARYLAND, That pursuant to Article II, Section 21A of the Maryland Constitution, the annual salaries recommended by the Governor's Salary Commission be adopted as follows, to be effective January 21, 2015, for the 4-year term of office:

Governor:

For the first year, \$165,000;

For the second year, \$170,000;

For the third year, \$175,000; and

For the fourth year, \$180,000; and

Lieutenant Governor:

For the first year, \$137,500;

For the second year, \$141,500;

For the third year, \$145,500; and

For the fourth year, \$149,500; and be it further

RESOLVED, That a copy of this Resolution be forwarded by the Department of Legislative Services to the Honorable Martin O'Malley, Governor of Maryland; the Honorable Anthony G. Brown, Lieutenant Governor; and T. Eloise Foster, Secretary of Budget and Management.

(Unofficial copy of OLR 1378)

By: The President (By Request – Governor’s Salary Commission)

A BILL ENTITLED

AN ACT concerning

Governor – Pension and Health Benefits

FOR the purpose of authorizing a former Governor of Maryland who began serving as Governor on or after a certain date and the surviving spouse of a deceased Governor or former Governor to enroll and participate in the State Employee and Retiree Health and Welfare Benefits Program under certain circumstances; specifying the amount of the State subsidy for the Program that a former Governor who began serving as Governor on or after a certain date and the surviving spouse of a deceased Governor or former Governor are eligible to receive; providing that certain retiree health benefits provisions do not apply to a former Governor who began serving as Governor on or after a certain date; altering eligibility requirements for a former Governor to receive a normal service retirement allowance; and generally relating to pension and health benefits for former Governors.

BY repealing and reenacting, with amendments,
Article – State Personnel and Pensions
Section 2–508(c) and 22–405
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

BY adding to
Article – State Personnel and Pensions
Section 2–508.1
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – State Personnel and Pensions

2–508.

(c) (1) (i) Except as provided in subparagraph (ii) of this paragraph, this subsection applies to a retiree who begins State service on or after July 1, 2011.

(ii) This subsection does not apply to:

1. a retiree of the Judges’ Retirement System; OR

2. A FORMER GOVERNOR OF MARYLAND WHO BEGAN SERVING AS GOVERNOR ON OR AFTER JANUARY 21, 2015.

(2) A retiree may enroll and participate in the health insurance benefit options established under the Program if the retiree:

(i) ends State service with at least 25 years of creditable service;

(ii) ends State service with a least 10 years of creditable service within 5 years before the age at which a vested retirement allowance normally would begin;

(iii) retires directly from State service with a State retirement allowance and has 10 years of creditable service; or

(iv) retires directly from State service with a State disability retirement allowance.

(3) (i) The surviving spouse or dependent child of a deceased retiree who was eligible to enroll may enroll and participate in the health insurance benefit options established under the Program as long as the spouse or child is receiving a periodic allowance under Division II of this article or the Maryland Transit Administration Retirement Plan under § 7–206 of the Transportation Article.

(ii) Subparagraph (i) of this paragraph does not apply to a deceased retiree’s spouse or dependent child who receives an Option 1, Option 4, or Option 7 benefit under Division II of this article or a lump–sum payment of benefits under the Maryland Transit Administration Retirement Plan under § 7–206 of the Transportation Article.

(4) (i) If a retiree receives a State disability retirement allowance or has

25 or more years of creditable service, the retiree or the retiree's surviving spouse or dependent child is entitled to the same State subsidy allowed a State employee.

(ii) In all other cases, if a retiree has at least 10 years of creditable service, the retiree or the retiree's surviving spouse or dependent child is entitled to 1/25 of the State subsidy allowed a State employee for each year of the retiree's creditable service up to 25 years.

(iii) Notwithstanding subparagraph (ii) of this paragraph and subsection (a)(4)(i) of this section, if a retiree is an additional employee or agent of the State Racing Commission, for the purposes of determining a retiree's State subsidy, creditable service shall be determined with respect to service as an additional employee or agent beginning from the initial date of employment.

2-508.1.

(A) A FORMER GOVERNOR OF MARYLAND WHO BEGAN SERVING AS GOVERNOR ON OR AFTER JANUARY 21, 2015, MAY ENROLL AND PARTICIPATE IN THE HEALTH INSURANCE BENEFIT OPTIONS ESTABLISHED UNDER THE PROGRAM IF THE FORMER GOVERNOR:

(1) IS AT LEAST 62 YEARS OLD;

(2) IS RECEIVING A NORMAL SERVICE RETIREMENT ALLOWANCE UNDER DIVISION II OF THIS ARTICLE; OR

(3) IS RECEIVING A DISABILITY RETIREMENT ALLOWANCE UNDER DIVISION II OF THIS ARTICLE.

(B) THE SURVIVING SPOUSE OF A DECEASED GOVERNOR OR FORMER GOVERNOR MAY ENROLL AND PARTICIPATE IN THE HEALTH INSURANCE BENEFIT OPTIONS ESTABLISHED UNDER THE PROGRAM AS LONG AS THE SPOUSE IS RECEIVING A PERIODIC ALLOWANCE UNDER DIVISION II OF THIS ARTICLE.

(C) A FORMER GOVERNOR DESCRIBED IN SUBSECTION (A)(1) OR (2) OF THIS SECTION OR THE SURVIVING SPOUSE OF A DECEASED GOVERNOR OR FORMER GOVERNOR IS ENTITLED TO 1/16 OF THE STATE SUBSIDY ALLOWED A STATE EMPLOYEE FOR EACH YEAR SERVED AS GOVERNOR.

(D) A FORMER GOVERNOR DESCRIBED IN SUBSECTION (A)(3) OF THIS

SECTION OR THE SURVIVING SPOUSE OF A DECEASED FORMER GOVERNOR IS ENTITLED TO THE SAME STATE SUBSIDY ALLOWED A STATE EMPLOYEE.

22-405.

(a) Subject to subsection (d) of this section, if a Governor serves for at least:

(1) one full term, the Governor is entitled to receive a retirement allowance equal to one-third of the annual salary received by the current Governor in office; or

(2) two full terms, the Governor is entitled to receive a retirement allowance equal to one-half of the annual salary received by the current Governor in office.

(b) The Board of Trustees shall suspend a retirement allowance received under this section during any period when the former Governor is employed by a unit of State government.

(c) Except as provided in subsection (d) of this section, a Governor may not receive a retirement allowance under this subsection until the Governor is at least [55] **62** years old.

(d) (1) A Governor who leaves office because of physical or mental disability, under Article II, Section 6(c) of the Maryland Constitution, shall immediately receive a disability retirement allowance equal to the amount the Governor would have received had the Governor completed the current term and become [55] **62** years old.

(2) If the physical or mental disability ends before the former Governor becomes [55] **62** years old, the Board of Trustees shall stop the disability retirement allowance, but the former Governor shall receive the normal retirement allowance at age [55] **62** if otherwise qualified.

(e) On the death of a former Governor, the surviving spouse of the former Governor shall receive an allowance that is equal to one-half of the former Governor's retirement allowance.

(f) On the death of a Governor while in office, the deceased Governor's surviving spouse shall receive one-half of the retirement allowance that the deceased Governor would have been entitled to receive had the deceased Governor completed the current term and become [55] **62** years old.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2014.

(Unofficial copy of OLR 1376)

By: **The President (By Request – Governor’s Salary Commission)**

A BILL ENTITLED

AN ACT concerning

Constitutional Officers – Salaries

FOR the purpose of providing for the annual salaries of the Comptroller, Treasurer, Attorney General, and Secretary of State; providing for the application of this Act; and generally relating to the salaries of certain constitutional officers of Maryland.

BY repealing and reenacting, with amendments,
Article – State Government
Section 4–103, 5–104, 6–103, and 7–107
Annotated Code of Maryland
(2009 Replacement Volume and 2013 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
That the Laws of Maryland read as follows:

Article – State Government

4–103.

The Comptroller’s annual salary shall be:

- (1) [~~\$112,500~~] **\$137,500** for the first year of the term beginning January [~~2003~~] **2015**;
- (2) [~~\$116,667~~] **\$141,500** starting on the first anniversary of the beginning of the term;
- (3) [~~\$120,833~~] **\$145,500** starting on the second anniversary of the beginning of the term; and
- (4) [~~\$125,000~~] **\$149,500** starting on the third anniversary of the beginning of the term and thereafter.

5-104.

(a) The Treasurer shall devote full time to the duties of office.

(b) The Treasurer shall address the Legislative Policy Committee of the General Assembly on a semiannual basis and as necessary on issues of legislative importance, including the activities of the Board of Public Works, bond sales, and investment and procurement initiatives.

(c) The Treasurer's annual salary shall be:

(1) [~~\$112,500~~] **\$137,500** for the first year of appointment beginning January, [2003] **2015**;

(2) [~~\$116,667~~] **\$141,500** starting on the first anniversary after appointment;

(3) [~~\$120,833~~] **\$145,500** starting on the second anniversary after appointment; and

(4) [~~\$125,000~~] **\$149,500** starting on the third anniversary after appointment and thereafter.

6-103.

(a) There is an Attorney General of the State, as provided in Article V, § 1 of the Maryland Constitution.

(b) The Attorney General's annual salary shall be:

(1) [~~\$112,500~~] **\$137,500** for the first year of the term beginning January, [2003] **2015**;

(2) [~~\$116,667~~] **\$141,500** starting on the first anniversary of the beginning of the term;

(3) [~~\$120,833~~] **\$145,500** starting on the second anniversary of the beginning of the term; and

(4) [~~\$125,000~~] **\$149,500** starting on the third anniversary of the beginning of the term and thereafter.

(c) The Attorney General is also entitled to reimbursement for travel and other expenses that are connected with the duties of the Office.

7-107.

The Secretary of State's annual salary shall be:

(1) [~~\$78,750~~] **\$96,500** for the first year of appointment beginning January, [~~2003~~] **2015**;

(2) [~~\$81,667~~] **\$99,500** starting on the first anniversary after appointment;

(3) [~~\$84,583~~] **\$102,500** starting on the second anniversary after appointment;

and

(4) [~~\$87,500~~] **\$105,500** starting on the third anniversary after appointment and thereafter.

SECTION 2. AND BE IT FURTHER ENACTED, That, pursuant to Article III, § 35 of the Maryland Constitution, this Act may not be construed to extend or apply to the salary or compensation of the Comptroller, Treasurer, Attorney General, or Secretary of State while serving in a term of office beginning before the effective date of this Act, but the provisions of this Act concerning the salary or compensation of the Comptroller, Treasurer, Attorney General, or Secretary of State shall take effect at the beginning of the next following term of office. This limitation does not apply to an individual appointed or elected after the effective date of this Act to fill out an unexpired term.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2014.