

Do Lawmakers Deserve a Pay Raise?



Coming up at the Chamber

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FRI | June 10
Accenture Pancakes & Politics
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FRI | June 10
Education & Workforce Development Committee Meeting
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TUE | June 14
New Member Reception
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WED | June 15
Power Hour Lunch: Creating a Mindset for Building Your Business Through Effective Marketing
presented by Wells Fargo
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THU | June 16
Environmental Quality Committee Meeting
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TUE | June 21
Transportation & Goods Movement Committee Meeting
[more info](#)

WED | June 22
The Connection Point
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WED | June 22
Business After Hours Mixer
sponsored by Merrill Lynch
[more info](#)

THU | June 23
Economic Development & Land Use Committee Meeting
[more info](#)

THU | June 23
Doing Business with Brazil
and pre-arranged matchmaking
[more info](#)

TUE | June 28
1001 Ways to Reward Employees
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THU | June 30
Entertainment Industry Business Council Luncheon Forum
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You may have recently read that the State Legislature has been awarded with an \$11,000 pay raise by an independent panel that was created by the voters to review the pay of state officials. If I were on this panel I would have been a dissenting vote.

When you add up the \$4,800 monthly car allowance, California legislators are earning \$148,000 per year. When you compare that to other large states, our legislators are well-paid. In fact, California legislators are the nation's highest paid. Michigan and New York are tied for second place with \$79,500 salaries followed by Pennsylvania at \$69,600. California legislators who reside more than 50 miles from Sacramento are also paid a tax free per diem of \$138 for just showing up.

Not bad for a job that only meets four days a week for seven months, especially when you consider that the state budget is still in the red and budget cuts are hurting the disabled, low income children and seniors.

Now I am not saying that legislators don't work when the legislature is not in session. I know that they spend time in their districts meeting with constituents, attending events, and attending to other duties.

But at the same time, and while they are also supposed to be in session, they also meet with political activists and strategists, conduct almost non-stop fund raising, plan their next campaign, and other activities that have nothing to do with their official duties.

None of this is to say that our legislators are not dedicated. Many of them are very good public servants who are doing their best to make our state a better place. That is not the point. The point is whether in this time, under these circumstances, our legislators deserve a raise – and whether the state can afford one.

Assuming that each of the state's 120 legislators actually accepts the pay raise, this action amounts to \$1.3 million, which is peanuts even when there is an \$4 billion budget gap. Some may accuse me of nit-picking at small dollars. But that is not the point. The point was perhaps best made decades ago by U.S. Senator Everett Dirksen who, when talking about the Federal budget, lamented "a million here – a million there, and pretty soon you are talking about a lot of money." So, too with California. If we focus on the details, maybe we will make a difference.

So whether the state can afford the increase is not the issue. The issue is not even whether the legislators are "underpaid." The issue is whether the legislators *have earned* a pay increase.

Pay raises should be given to employees who have produced positive results through hard work and dedication. That is how it is done in most businesses. Performance appraisals are conducted and a decision is made concerning whether an increase is merited. So let's evaluate the Legislature's work product in recent years.

In 2000, the state had a \$30 billion surplus. Two years later it was a \$22 billion deficit. Today it is a \$4 billion deficit thanks to higher than expected revenues in recent months. Spending is *still* exceeding revenues and there seems to be no end in sight.

Does anyone remember when the last budget was actually passed on time?

The legislature is making no progress on addressing the issues of reforming our electoral infrastructure to bring greater fairness and equity to the political process.

No progress is being made to restructure state government to eliminate duplication, overlap, and costly bureaucracies.

If we don't watch ourselves the state's retirement systems could face the fate now confronting the City of San Diego.

We have not been able to find solutions to adequately funding and operating an educational system that works for California's young people.

So as I see it we have a situation where the legislature is not addressing our critical issues in an effective manner; spends far too much time raising money to protect their political future; and authoring bills like those to outlaw dog ear cropping, regulating Internet dating, regulating the starting times of movies in theaters, and preventing killing farm animals with wood chopping equipment.

The Business Perspective is an award-winning weekly opinion column by Rusty Hammer, President & CEO, LA Area Chamber

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And, they almost never do the most important thing they must do – which is to adopt a budget on time.

In my book, this performance is hardly justification of excellent performance that justifies a pay increase.

We applaud our local legislators like Assemblymembers Judy Chu and Keith Richman who have opted not to accept the pay raise. Unfortunately, they are among the small group of hard working members who probably deserve one.

We hope others follow suit to show Californians that lawmakers are not as out of touch with reality as some may think.

And that's *The Business Perspective*.



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