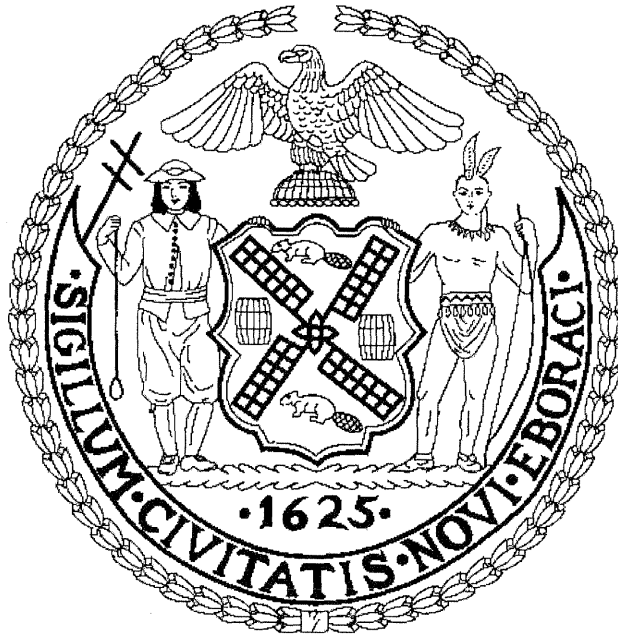


The City of New York



Advisory Commission for the Review of Compensation Levels of Elected Officials

REPORT AND RECOMMENDATIONS

OCTOBER 23, 2006

**Tom A. Bernstein, Chair
G.G. Michelson
Stephanie Palmer**

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Introduction

The Advisory Commission to Review the Compensation Levels of Elected Officials (“Commission”) was created in a manner consistent with Section 3-601 of the Administrative Code of the City of New York, which provides that such a Commission be appointed on a quadrennial basis. The Commission was charged by the Mayor with studying and making recommendations on changes to the compensation levels of City elected officials including the Mayor, Public Advocate, Comptroller, the five Borough Presidents, the fifty-one City Council Members, and the five District Attorneys. The last Quadrennial Commission met and made recommendations to increase salaries in 1999. Those recommendations were enacted into law that year. However, due to a severe budget crisis, Mayor Michael R. Bloomberg deferred the appointment of another Commission at the statutorily prescribed time in 2003 until 2006 when a meaningful review of these salaries could take place because of improved budget conditions. Accordingly, this Commission is the first body appointed in seven years to review the salaries of elected officials.

Because this Commission was appointed off-cycle, it is not a “Quadrennial” Commission within the meaning of the Administrative Code. Nonetheless, the Mayor has appointed this Commission and charged it administratively to exercise the same advisory powers and duties as set forth in the Administrative Code for “Quadrennial” Commissions. After the Mayor receives and reviews this report, which sets forth recommendations to increase the salaries of all City elected offices, he may accept, reject or modify the recommendations, and then forward them for consideration and a vote by the City Council.

The factors and indicators the Commission used in developing its recommendations included, but were not limited to, the Consumer Price Index (“CPI”); City union contracts; City

managerial pay increases; salaries of appointed staff in the offices of elected officials; salaries for heads of governmental and quasi-governmental agencies, as well as executives of nonprofit organizations; and the salaries of elected officials in other jurisdictions. Because the Commission was already reviewing seven years of data, and because it had the rates for City managerial pay increases set through February 2007, the Commission was able to provide recommendations that cover an eight-year period from 1999 to 2007. As a consequence, the Commission believes the requirement for a Quadrennial Commission to be appointed in early 2007 (pursuant to the timetable set forth in the Administrative Code) to perform the same function using the same data, would be unnecessary and wasteful. Accordingly, it is the recommendation of the Commission that the next Commission should be appointed in 2011.

Members of the Commission

The following Commission members, all residents of New York City, were appointed to the 2006 Commission by Mayor Michael R. Bloomberg:

- Tom A. Bernstein (Chair) is President and Co-Founder of Chelsea Piers, L.P., which was formed to develop and operate the Chelsea Piers Sports and Entertainment Complex. From 1983 to 1998, he was one of the two principals of Silver Screen Management, Inc., which served as the financial partner of The Walt Disney Company. Mr. Bernstein is a former member of the ownership group of the Texas Rangers Baseball club. Mr. Bernstein is a member of the Boards of Directors of the Fresh Air Fund, NYC & Company, Human Rights First, WNYC Radio, City Year New York, and the Partnership for Public Service. He is also a member of the Council on Foreign Relations. In 2002, President Bush appointed him to serve as a Council Member of the U.S. Holocaust Memorial Museum in Washington, D.C., where he serves on the Executive Committee and Chair of the Committee on Conscience.
- G.G. Michelson served R.H. Macy & Co. for 50 years, retiring from her position as Senior Vice President for External Affairs in 1992, and served as Senior Advisor and Member of the Board until 1994. Ms. Michelson has also served on a number of corporate boards including the General Electric Company, The Quaker Oats Company, and The Goodyear Tire and Rubber Company. She was President of the Board of Overseers of TIAA-CREF, a Public Governor of the American Stock Exchange, and Deputy Chair of the New York Federal Reserve Bank. Ms. Michelson is also Chair of The Helena Rubinstein Foundation, Chair Emeritus of the Board of Trustees of Columbia University, a member of the Columbia Law School Board of Visitors, and previously served on the Board of Visitors of the Columbia Business School.
- Stephanie Palmer has served as the Executive Director of New York City Mission Society, a human services organization, since 1996. Ms. Palmer has designed, implemented, and administered educational and employment training programs, advocated for legislation supporting the nonprofit sector, and provided management and leadership for several other nonprofit organizations. Ms. Palmer is also President of the Black Agency Executives, a non-profit organization dedicated to the support and professional development of its membership, and serves as a member on numerous other boards including the Human Services Council and the Nonprofit Coordinating Committee of New York.

In addition, consistent with the Administrative Code, the Mayor made City staff available to the Commission to work exclusively under their direction with regard to research and administrative matters.

The Commission's Schedule and Summary of Public Comments

The Commission held one public hearing on June 1, 2006. Notice of the hearing and a request for public comments was published twice in the City Record, posted on publicly accessible bulletin boards and was mailed directly to 300 individuals and organizations, including every elected official whose salary was being reviewed by the Commission, civic groups, the media and others (See Appendix N). A representative of the Staten Island Borough President, the Executive Director of Citizens Union, and the Senior Attorney for the New York Public Interest Group ("NYPIRG") testified at the hearing (See Appendix N). In addition to the public hearing, the Commission met five times to discuss and review the issues.

The Staten Island Borough President, James Molinaro, submitted testimony that was read by his Counsel. The Borough President's testimony advised the Commission to raise the salaries of all Borough Presidents to \$175,000, based on his staff's understanding of how much the CPI has changed since the last Commission convened. Citizens Union supported small increases for most elected officials, with the exception of the District Attorneys who it thinks should receive the largest increases, and Council Members, whose salary increase should be tied to the elimination of the stipends (lulus) that they receive. Citizens Union also recommended that the salaries only take effect in 2007. NYPIRG urged the Commission to focus on the issue of outside income that Council Members are allowed to earn, and to examine the issue of their stipends. NYPIRG also proposed that the raises take effect only for the next term. Copies of this testimony can be found in the Appendix of this report.

Six other elected officials sent letters to the Commission which contained their recommendations (See Appendix N). The Speaker of the City Council, Christine Quinn, wrote to the Commission requesting a raise to \$112,500 for all Council Members. In addition, several

members of the Speaker's staff met with the Commission and further explained the rationale underlying the Speaker's written request. Council Member Tony Avella wrote that the current base salary of Council Members was adequate, and recommended that the stipends be abolished. He also suggested that the Commission consider whether the position of Council Member should be statutorily set as a full-time position. Four District Attorneys, with the exception of Staten Island District Attorney Dan Donovan, sent a joint letter to the Commission advocating for a \$35,000 raise, from \$150,000 to \$185,000, and arguing that their current salary level has severely compressed the salaries of their top staff, making retention very difficult. The District Attorneys also made the case that their large workload, staff, budget, and the salaries of other top City lawyers, should factor into how much of a raise they should receive. The change in the CPI over the years and the high cost of living in New York City were also used as justifications for a raise, similar to the argument that the Staten Island Borough President made in his testimony.

Summary of Elected Offices

The powers and responsibilities of the offices subject to the Commission's review have changed over the years, specifically since the 1989 Charter Revision Commission that abolished the Board of Estimate and, more recently, the 2002 Charter Revision Commission. New elected offices were created, such as the Public Advocate (who then had to adjust to the results of the 2002 Charter Commission), and others, specifically the Borough Presidents and the City Council, have had to adjust to the changing scope of their responsibilities. The offices have been impacted by the rapid improvement of technology (which has altered and potentially diminished the responsibilities of some) and the increase in the size of the City's budget and demand for services during times of historic growth. A summary of the current duties of each office is listed below. It should be noted that with the exception of the District Attorneys, whose offices are established by State law, all City elected officials are subject to serving a limit of two consecutive four year terms in office.

Mayor

Current Salary: \$195,000

The Mayor is the City's Chief Executive Officer and possesses vast operational and administrative powers, including the power to appoint and remove the commissioners of more than 40 City agencies, and scores of City boards and commissions. The Mayor is responsible for preparing and administering the City's annual Expense and Capital Budgets and financial plan. The Mayor is responsible for managing the City's relations with federal, state and local governing entities. The Mayor has the power to veto local laws enacted by the City Council, but such a veto may be overridden by a two-thirds vote of the Council. Pursuant to State law, the

Mayor appoints Criminal Court Judges, Family Court Judges, and Interim Civil Court Judges. The Mayor has powers and responsibilities relating to land use and City contracts and collaborates with city, state and federal agencies responsible for the City's economic development and infrastructure. The Mayor sits or makes appointments to the boards of the City's pension systems and sits Ex-Officio on the boards of many of the City's cultural institutions, and maintains a liaison with governmental bodies dealing with public finance, procurement, and franchises and concessions. The Mayor has all residual powers of the City government not otherwise delegated by law to some other public official or body.

Comptroller:

Current Salary: \$160,000

The Comptroller is an independently elected official, and is the City's Chief Financial Officer. The Comptroller's advises the Mayor, the City Council, and the public of the City's financial condition to ensure its fiscal health. The Comptroller also makes recommendations on City programs and operations, fiscal policies, and financial transactions. In addition, the Comptroller manages approximately \$90 billion in pension fund assets, performs budgetary analysis, audits city agencies, registers proposed contracts, oversees budget authorization, determines credit needs, terms and conditions, prepares warrants for payment, and issues and sells City obligations. The employees of the Office include accountants, attorneys, computer analysts, economists, engineers, budget, financial and investment analysts, claim specialists, and researchers as well as clerical and administrative support staff. The Comptroller is the custodian and delegated investment advisor to all five of the City's pension fund boards, and also manages

the sinking funds and all other City-held trust funds, maintains the City's accounts, and publishes the City's annual financial statement.

Public Advocate

Current Salary: \$150,000

The Public Advocate represents the consumers of City services. The Public Advocate reviews and investigates complaints about City services, assesses whether agencies are responsive to the public, and recommends improvements in agency programs and complaint handling procedures. The Public Advocate is responsible for reporting the failure of any City agency or official to comply with the New York City Charter. The office also monitors the effectiveness of the City's public information and education efforts about citywide initiatives. The Public Advocate is a member of all Council committees and has the authority to introduce legislation, but not vote on it. The Public Advocate is a member of the board of trustees of the New York City Employees' Retirement System, sits on the City's Audit Committee, appoints one member to the City Planning Commission and serves on the committee to select the director of the Independent Budget Office.

Borough Presidents

Current Salary: \$135,000

The City Charter gives the Borough Presidents the authority to propose borough budget priorities directly to the Council; review and comment on major land use decisions and propose sites for city facilities within their respective boroughs; monitor and modify the delivery of City services within their boroughs; and engage in strategic planning for their boroughs. The

Borough Presidents each chair a Borough Board, appoint members to Community Boards who serve without compensation, and appoint one member to the City Planning Commission as well as the Panel on Educational Policy, and has a role in selecting the director of the Independent Budget Office.

District Attorneys

Current Salary: \$150,000

District Attorneys are constitutional officers who have the duty to protect the public by investigating and prosecuting criminal conduct in the counties in which they hold office. These prosecutions include felonies, misdemeanors, violations and traffic infractions. Additionally, District Attorneys are responsible for handling criminal appeals at all levels of state and federal courts. Ancillary responsibilities of District Attorneys include prosecuting forfeiture proceedings, extraditing criminals from outside the state, working with victims of crime to help them secure the fullest measure of redress allowed by law, and advising various law enforcement agencies. Of particular note is the large size of some of the DA's Offices; for example, the Manhattan and Brooklyn District Attorneys' Office have approximately 450 and 400 Assistant District Attorneys respectively.

City Council

Current Base Salary: \$90,000

The City Council is the legislative branch of City government. Its 51 members represent districts of approximately 157,000 people. In addition to its legislative role and oversight powers over City agencies, the Council approves the City's budget, has decision-making power over

land use issues, and exercises the power of advice and consent over Mayoral nominees to certain City boards and commissions. The Council nominates and appoints individuals to serve on various public bodies as well. The Council Speaker is a district official elected by fellow Council Members and is primarily responsible for obtaining a consensus on major issues. The City Council is also the only branch of government that has stipends (or lulus) that are given in addition to the base salary for service in leadership positions, including chairing various committees. The position of Council Member is considered part-time and local law permits Council Members to receive outside incomes.

Methodology

As with previous Commissions, this Commission's methodology has been to examine a number of key economic indicators, recognizing that no one indicator provides a sufficient guide and that some are more useful than others. The key indicators include: the CPI, City union contracts; City managerial pay increases; salaries of appointed staff in the offices of elected officials; salaries for heads of governmental and quasi-governmental agencies, as well as executives of nonprofit organizations; and the salaries of elected officials in other jurisdictions.

Also of consideration is the issue of compression. In some elected offices staff members receive higher salaries than the elected official(s) for whom they work. The Commission has aimed to alleviate some of this compression, particularly in the Offices of the District Attorneys where it appears to be most problematic.

The Commission conducted a comparative study of the twenty-five largest cities in the United States to find out the salaries of the Mayor, Council Members and Comptroller of those cities (See Appendix A). The Commission attempted to research the salaries in other jurisdictions for the Public Advocate, District Attorneys or Borough Presidents. However, since many cities either do not have an analogous position (in the case of Public Advocate and Borough Presidents) or the position is part of the county and not the city (District Attorney), the data found was inconclusive. As detailed in Appendix A, Chicago has the highest paid Mayor in the nation with a salary of \$216,210. The Los Angeles Mayor has the third highest salary at \$193,908. Several other cities have significant mayoral salaries, including Detroit, San Francisco, and Boston, which look even larger when comparing the salary to the size of the populations of those cities. It is also important to remember that the degree to which New York City can be compared to other cities is limited. The size of New York City's population, which

is the largest in the nation at 8.1 million, the size of its 300,000 person public workforce and \$53 billion budget, which are larger than most states, is unique amongst all cities in this country. The variety and breadth of services New York City government provides is unmatched by any other municipality. Nevertheless, some of the salaries of New York's elected officials are similar to those of other cities.

The Commission also surveyed the salaries of elected officials in the ten largest states (See Appendix B), none of whom, except for California, have salaries close to matching those of New York and or other cities mentioned above. The highest paid governor in the country will be California's at a rate of \$206,500, effective December 2006, even though Governor Schwarzenegger does not accept any compensation. The Governor of New York has the second highest salary at \$179,000. It should be noted that California has a population of 35,893,799, and New York State's population is 19,227,088.

The Commission also looked at the salaries of several other sectors including the non-profit sector, where the executives of the largest non-profits have salaries that are significantly greater than top officials in the public sector.

The Commission also took into consideration changes in City economic conditions exemplified by general wage increases provided to government employees and the CPI. In doing so, it reviewed the salary increase patterns established in municipal labor agreements (specifically DC37, the City's largest non-pedagogical public employee union, see Appendix J) and as provided to employees covered by the Pay Plan for Management Employees (See Appendix L). The aggregate increase for both these sets of indicators from 1999 to 2007 is 26 percent. It also examined annual average CPI changes (See Appendix K). The aggregate CPI for the same period was a 25 percent increase. The Commission recognizes that while economic

indicators illustrate a general increase in prices for goods and services, the salaries of the City's elected officials has remained flat since 1999.

It should be noted that while the Commission was conducting its review, Mayor Bloomberg authorized two managerial increases that City managers will receive: 2 percent now, and a 4 percent increase in early 2007 (See Appendix L). The Commission factored these increases and projected data into its final set of recommended salaries. Because the Commission's recommendations cover an eight-year period from 1999 to 2007, it believes the requirement for a Quadrennial Commission to be appointed in early 2007, pursuant to the timetable set forth in the Administrative Code, to perform the same function using the same data, would be unnecessary and wasteful.

Recommendations

Below is a grid of the Commission's recommendations for each office, and the basis for its recommendation. (See also Appendix F, Salary Increases Ranked By Dollar Amount).

Elected Official	Current Base Salary	Proposed Increase	New Base Salary
Mayor	\$195,000	\$30,000	\$225,000
Comptroller	\$160,000	\$25,000	\$185,000
Public Advocate	\$150,000	\$15,000	\$165,000
District Attorney	\$150,000	\$40,000	\$190,000
Borough President	\$135,000	\$25,000	\$160,000
City Council	\$90,000	\$22,500	\$112,500

Mayor

Mayor Bloomberg does not take a salary. However, the Commission is considering salary levels for the Office of Mayor, and not the specific individual who occupies it. The Commission's position is that the Office of Mayor should receive a modest salary increase in-line with increases recommended for other citywide offices and that an increase to \$225,000 is reasonable in this context.

Comptroller

The Comptroller's citywide duties are significant and the Office's highly expert staff has grown as the Office has taken on greater roles, especially in the area of pensions which has become more diverse and complex. That fact, combined with the relatively large staff that the Comptroller oversees, justifies an increase to \$185,000.

Public Advocate

The Public Advocate's role has changed since the last compensation commission met. Revisions to the City Charter in 2002 have (1) shortened the period of succession in the event of a mayoral vacancy, thus reducing the amount of time that a Public Advocate would spend as Acting Mayor; and (2) eliminated the Public Advocate's role as the Presiding Officer of the Council, although the current Public Advocate has continued in that role ceremonially by virtue of a delegation from the Council Speaker. Unlike the other two citywide offices, the office of Public Advocate has no direct authority over the City's budget or finances. Although other large cities do not have an elected Public Advocate, the office's salary, \$150,000, is nearly identical to the salary currently paid to New York State's Lieutenant Governor and Attorney General. In light of these considerations, an increase to \$165,000 is reasonable.

Borough Presidents

Although the Office of Borough President lost most of its budgetary powers through the 1989 charter revision, its occupants continue to have staff that performs constituent services and policy work, as well as a significant role in the land use process. The five Borough Presidents also serve as the most visible advocates for their respective boroughs. The Commission's salary recommendation of \$160,000 is a reasonable increase and consistent with increases given to the other elected officials.

District Attorney

As mentioned previously, four of the City's five District Attorneys submitted a letter to the Commission requesting a raise. The Commission has found their concerns – particularly their difficulties with retention – persuasive, as have civic groups. The District Attorneys also noted that there are 350 other public employees who earn higher salaries than they. Salaries for District Attorney cannot be less than those of State Supreme Court Judges, who currently make \$136,000. Indeed, there has been much discussion recently at the State level for a significant increase in the salaries of State Supreme Court Judges. The Commission's position is that given the factors above, and the professional degree requirements of the office, District Attorneys have the greatest need for salary increases. Therefore, the Commission found it reasonable to recommend the largest raise for the District Attorneys, increasing their salaries to \$190,000. Although the District Attorneys made a request of \$185,000, that request did not reflect 2007 data considered by the Commission. This increase for the DAs should significantly ease salary compression and will hopefully strengthen retention and recruitment within these offices, consistent with the efforts of the New York City Law Department which similarly houses a large and capable legal staff of more than 700 attorneys.

City Council

Presently, Council Members represent districts with average populations of about 157,000 residents, similar to the size of the populations of Syracuse, Salt Lake City, Fort Lauderdale and Chattanooga, and have an array of critical responsibilities: serving as a conduit for their constituents' concerns; performing oversight of city agencies; approving the city's budget; and engaging in the legislative process. As indicated in Appendix A, Council members

in several other cities, including Los Angeles (full-time), Chicago (part-time), Philadelphia (considered full-time, but outside income allowed), Seattle (full-time) and Washington, D.C. (part-time), receive higher salaries than the members of the New York City Council. Although the position of Council Member is a part-time position, it is the Commission's understanding that the majority of Council Members serve currently in the position on a full-time basis (See Testimony of Citizens Union, Appendix N). Accordingly, for the purposes of this Report, the Commission assumed that by-and-large Council Members serve full-time, and the recommended salary increase reflects this fact.

In July, Council Speaker Christine Quinn sent a letter to the Commission requesting an increase in the base salary of members to \$112,500. In addition, her staff met with the Commission to discuss the request. In light of the salary scales of other large cities, and the increases recommended by this Commission for the other elected officials, the Commission recommends that the Council receive an increase to a salary of \$112,500. In addition, the Commission believes that the issues of full and part-time vs. full-time status, discussed later in this Report, merit serious review and reform before the next Council takes office.

Effective Date

The Commission believes that these recommended salary increases, if accepted by the Mayor and approved by the City Council, take effect immediately.

Executive Summary of Charts of Economic and Compensation Data

Under the Commission's proposal, the *average annual increase* for elected officials during the period 1999 to 2007 ranges between 1.2 percent for the Public Advocate and 2.9 percent for District Attorneys. During that same period, the average increase in the Consumer Price Index ("CPI") was 3.2 percent, for DC 37 workers it was 2.9 percent, and for the appointed city managers it was 2.9 percent (See Appendix G). Therefore, the Commission is recommending average annual increases for each year in this period that are lower than these three area indicators. In addition, the Commission's proposed average annual increases are significantly lower than those recommended by the 1999 Quadrennial Commission whose average annual increases ranged from 4.3 percent for Mayor and Borough Presidents to 6.3 percent for Council Members (See Appendix G).

The Commission's proposed *overall increases* for the *eight year* period 1999 to 2007 are generally less than the increases given by the previous Commission for the *four year* period 1995 to 1999. This Commission proposes a 15.4 percent increase for the Mayor (versus 18.2 percent in 1999), a 10 percent increase for the Public Advocate (versus 20 percent in 1999), a 25 percent increase for Council Members (versus 27.7 percent in 1999), an 18.5 percent increase for the Borough Presidents (versus 18.4 percent in 1999), and a 26.7 percent increase for District Attorneys (versus 20 percent in 1999) (See Appendix I).

The range of increases that this Commission is proposing for the years *1999 to 2007* are far lower than the range recommended by the 1995 Commission covering *1987 to 1995*, which was also formed after salary increases had not been given for eight years. As mentioned previously, the increases for the current eight-year Commission has a range of 10 percent for the Public Advocate to 26.7 percent for the District Attorney whereas the 1995 Commission's

increases had a range from 19 percent for the Public Advocate to 28.9 percent for District Attorneys (See Appendix H).

Policy Issues

The Commission examined several related issues that were brought to its attention by current and former elected officials, good government groups, and the media. The first relates to the timing of the salary increases for all elected officials. The second is a set of issues dealing with the City Council, specifically the appropriateness of lulus and whether the Council should be a part-time or full-time body.

The Timing of Salary Increases for All Elected Officials

The Commission looked at the timing of implementing raises for all elected offices. Civic groups and various media have questioned the appropriateness of a legislative body voting itself raises, and the executive signing them into law, during the same term that they are to take effect. Indeed, many governments have outlawed the practice, while others that have recently raised their own salaries have experienced a voter backlash. In Pennsylvania, for instance, the raises the state legislature awarded itself created a degree of citizen dissatisfaction that are attributed to leading to the defeat of several incumbents who held traditionally secure judicial offices. More recently, several Republican leaders in the Pennsylvania legislature were voted out of office during their primary races as part of the continuing anti-incumbent backlash.

The Commission believes that limiting the ability of government officials to raise their own salaries and receive them immediately would improve the integrity of government and public confidence in it. The Commission recommends, however, in the context of this Report, that any change should be considered prospectively for the City's elected officials, particularly since more than seven years have already passed since the last salary increase. Therefore, the Commission recommends that the Council and Mayor, if they choose to increase salaries at this

time for the City's elected officials, should evaluate the best option to pursue this reform for the future.

City Council Issues

(a) Lulus

A number of current and former elected officials, civic leaders, and newspaper editorials have criticized the City Council's practice of distributing "lulus," or stipends, to members for chairing committees or otherwise serving in leadership positions. In recent years, the number of committees and leadership titles, and the level of stipends distributed, has grown significantly. In 1994, 29 Council Members received stipends totaling \$334,000; today, 46 of 51 Council Members receive stipends totaling \$479,500, a 44% increase. As a result, compensation for Council Members now ranges from \$90,000 to \$119,500, with the average salary being approximately \$100,000 (See Appendix M). Council Member is the only elected office that has, in effect, given itself additional raises on top of what past Commissions have recommended. Outside of New York, almost no other city council or state legislature distributes such stipends, nor are they distributed in Congress, where senior members who chair powerful committees receive the same compensation as freshman legislators.

In a letter forwarded to the Commission from the 2005 Charter Revision Commission (See Appendix N), former Council Member Walter McCaffrey argued that over the years the lulu system has been used to "reward allies and enforce discipline," a criticism that is echoed by civic leaders. While the Commission understands the need of the Council Speaker to lead his or her members, legislative leaders in other bodies around the country have been able to do so without resorting to financial rewards.

The Commission believes that this area is ripe for reform. Given that eliminating lulus in the middle of a Council term would be complicated, the Commission recommends that the Council – or a future Charter Revision Commission – consider reforming this practice of lulus effective December 31, 2009, when the vast majority of the City Council will be “termed out” of office. This would allow the current Council to leave a legacy of reform and the next Council to avoid being burdened with the same public criticisms.

(b) Part-Time vs. Full-Time Status

The Commission also received comments urging it to examine whether the job of City Council Member should be changed statutorily from part-time to full-time, and if changed, whether there should be a limit or ban on outside income. Currently, the part-time status has meant that Council Members may earn outside income, making them the only elected officials in the City to have this privilege. Most Council Members do not earn outside income, while some earn salaries far in excess of their Council salaries. Some Council Members who do not earn outside income argue that the job of Council Member is really full-time, that the majority of members perform it on a full-time basis, and that should be reflected in the level of compensation that they receive (See Testimony of Citizens Union, Appendix N). Another issue to be considered is whether the position of Council Speaker should be considered a full-time job, as that position has grown in prominence and scope since the 1989 Charter revision. We believe that these issues merit further examination by a future Charter Revision Commission or, should there be support among members, by the Council itself.

Conclusion

There are always many factors to take into consideration when examining the compensation of elected officials. A balance is required between the need to ensure that officials are adequately compensated and the expectations of the public that their elected representatives will not overcompensate themselves. It is inevitable that whenever salaries are increased for elected officials, some may take a skeptical view. It is nevertheless important to ensure that public officials receive compensation appropriate to the services they perform. While their salaries may seem high to some, they are relatively modest when compared to equivalent jobs in other sectors. Furthermore, the compensation elected officials receive should reflect the enormous amount of responsibility and trust placed with them. It is important to note that the increases proposed by this Commission are significantly lower than what past Commissions have recommended. In the past, the lowest percentage increase recommended by Quadrennial Commissions was 18% and the highest was 28%. In this respect, the large increases proposed by previous Commissions have mitigated the need for the present Commission to propose raises at such high levels.

In light of all this, and the other factors examined throughout the report, the Commission recommends implementation of the proposed salary increases for the Mayor, Borough Presidents, City Council, District Attorneys and Public Advocate immediately after passage into law by the City Council. This Commission also recommends that the next Commission be appointed in 2011, on the regular timetable for Quadrennial Commissions as set forth in the Administrative Code. The Commission also recommends that all policy issues discussed in this report be give due attention and action by the affected political branches.

Appendix A

Salary Data for Elected Officials of the 25 Largest Cities

City	Population	Mayor	Comptroller/CFO	City Council
Los Angeles, CA	3,845,541	\$193,908	\$164,076	\$149,160
Chicago, IL	2,862,244	\$216,210	\$148,476	\$98,125
Houston, TX	2,012,626	\$165,816	\$90,965	\$49,794
Philadelphia, PA	1,470,151	\$144,009	\$99,853	\$102,292; Council President- \$128,292
Phoenix, AZ	1,418,041	\$88,000	\$160,243	\$59,000
San Diego, CA	1,263,756	\$100,464	\$183,568	\$75,386
San Antonio, TX	1,236,249	\$2,080		\$20/mtg
Dallas, TX	1,210,393	\$60,000		\$37,500
San Jose, CA	904,522	\$105,019	\$168,542	\$75,048
Detroit, MI	900,198	\$176,176	\$142,800	\$81,312
Indianapolis, IN	784,242	\$95,000	\$91,999	\$11,400-\$13,382
Jacksonville, FL	777,704	\$166,533	\$175,000	\$42,884; President-\$57,179
San Francisco, CA	744,230	\$171,262		\$89,648
Columbus, OH	730,008	\$141,001	\$126,110	\$36,252
Austin, TX	681,804	\$53,000		\$45,000
Memphis, TN	671,929	\$160,000		\$30,600; Chair-\$32,600
Baltimore, MD	636,251	\$125,000	\$80,000	\$48,000; President-\$50,000
Fort Worth, TX	603,337	\$30,000		\$27,000
Charlotte, NC	594,359	\$38,482		\$22,745
El Paso, TX	592,099	\$38,079		\$22,432
Milwaukee, WI	583,624	\$139,549	\$135,346	\$69,352; Council President-\$78,376
Seattle, WA	571,480	\$148,540		\$103,878
Boston, MA	569,165	\$175,000		\$87,500
Denver, CO	556,835	\$136,920	\$118,416	\$73,512; President-\$82,320
Washington, D.C.	553,523	\$145,000		\$92,500

Chicago recently passed a law that annual increases in the aldermanic salary will be determined over the next four years according to the federal CPI.

LA: Elected officials salaries tied to salaries of State Supreme Court judges

Phoenix: City Council salaries are 2/3 of Mayor's. Formula and ratio of salaries approved by voters every 2 yrs.

Appendix B

Salary Data of State Elected Officials

State	Population	Governor	Lt. Gov	Att. Gen	Treasurer	State Legislature
California ¹	35,893,799	\$206,500	\$154,875	\$175,525	\$165,200	\$113,098
Texas	22,490,022	\$115,345	\$7,200	\$92,217		\$7,200
New York	19,227,088	\$179,000	\$151,500	\$151,500	\$151,500	\$79,000
Florida	17,397,161	\$124,575	\$119,390	\$123,331	\$123,331	\$29,916
Illinois	12,713,634	\$154,800	\$118,400	\$136,600	\$118,400	\$57,619
Pennsylvania	12,406,292	\$144,416	\$121,309	\$120,154	\$120,154	\$69,647
Ohio	11,459,011	\$126,435	\$73,715	\$93,494	\$167,504	\$56,260
Michigan	10,112,620	\$177,000	\$123,900	\$124,900	\$124,900	\$79,650
Georgia	8,829,383	\$127,303	\$83,148	\$125,871	\$117,893	\$146,524
New Jersey	8,698,879	\$175,000	-	\$141,000	\$141,000	\$49,000

States ranked according US Census website-estimated populations for 2005

All data except legislature is from 2005 Council on State Governments survey; legislative salary data is taken from Council on State Legislature list from November 2005

¹Salaries effective December 2006

Appendix C

Metro NY County Elected Official Salaries

County	Population	Executive	Legislator	District Attorney	Comptroller
Nassau County	1,339,641	\$109,394	\$39,500	\$150,000	\$108,670
Suffolk County	1,475,488	\$169,610	\$80,373	\$154,796	\$154,796
Westchester County	942,444	\$160,760	\$49,200	\$136,700	--

Appendix D

Comparison of Federal, NYS, and NYC Legislator Salaries

Legislative Body	Average District Size	Base Salary	Supplemental Salary range	Speaker	Majority Leader
US Congress	House: 646,952	\$162,100	None	\$212,100	\$183,500
	Senate: 306,072				
NY State Legislature	Assembly: 126,510	\$79,000	\$8,000-\$43,000	\$122,000	\$122,000
NYC Council	157,000	\$90,000	\$4,000-\$28,500	\$118,500	\$113,000

Appendix E

Salary Information on Leaders of Public Agencies, Corporations, Authorities and Unions

Official	Salary
DOE Chancellor	\$250,000
HHC President	\$260,454
Criminal Justice Coordinator	\$190,445 ¹
MTA Exec. Dir.	\$235,000
Port Authority Exec. Dir	\$231,764
UFT President	\$241,450
TWU President	\$129,724
Unite Here President	\$339,043
SEIU 1199 President	\$162,826
SEUI 32BJ President	\$204,445
DC 37 Exec. Dir.	\$209,368

¹ As of 2/2007

Appendix F

Salary Increases Ranked By Dollar Amount

Elected Official	Current Base Salary	Proposed Base Salary	Proposed Increase
District Attorney	\$150,000	\$190,000	\$40,000
Mayor	\$195,000	\$225,000	\$30,000
Comptroller	\$160,000	\$185,000	\$25,000
Borough President	\$135,000	\$160,000	\$25,000
City Council	\$90,000	\$112,500	\$22,500
Public Advocate	\$150,000	\$165,000	\$15,000

Appendix G

Average Annual Increase Comparison

Commissions	Period of Time	Mayor	Borough President	Comptroller	Public Advocate	City Council	District Attorney
Commission Proposal	1999-2007	1.8%	2.1%	1.8%	1.2%	2.8%	2.9%
1999 Commission	1995-1999	4.3%	4.3%	4.7%	4.7%	6.3%	4.7%
1995 Commission	1987-1995	2.9%	2.2%	2.9%	2.2%	3.0%	3.1%

CPI Avg	2000-2006	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Average Union	2000-2007	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%
Avg Managerial	2000-2007	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%

Appendix H

Year-by-Year Comparison of Commissions Whose Recommendations Have Spanned 8 Years

	Mayor		Borough President		Comptroller		Public Advocate		City Council Member		District Attorney	
	87-95	99-07	87-95	99-07	87-95	99-07	87-95	99-07	87-95	99-07	87-95	99-07
Base	\$ 130,000	\$ 195,000	\$ 95,000	\$ 135,000	\$ 105,000	\$ 160,000	\$ 105,000	\$ 150,000	\$ 55,000	\$ 90,000	\$ 97,000	\$ 150,000
Four Year Increase	\$ 17,500	\$ 15,000	\$ 9,500	\$ 12,500	\$ 14,000	\$ 12,500	\$ 10,000	\$ 7,500	\$ 7,750	\$ 11,250	\$ 14,000	\$ 20,000
4 Year Total	\$ 147,500	\$ 210,000	\$ 104,500	\$ 147,500	\$ 119,000	\$ 172,500	\$ 115,000	\$ 157,500	\$ 62,750	\$ 101,250	\$ 111,000	\$ 170,000
Four Year Increase	\$ 17,500	\$ 15,000	\$ 9,500	\$ 12,500	\$ 14,000	\$ 12,500	\$ 10,000	\$ 7,500	\$ 7,750	\$ 11,250	\$ 14,000	\$ 20,000
4 Year Total	\$ 165,000	\$ 225,000	\$ 114,000	\$ 160,000	\$ 133,000	\$ 185,000	\$ 125,000	\$ 165,000	\$ 70,500	\$ 112,500	\$ 125,000	\$ 190,000
8 Year Increase	\$ 35,000	\$ 30,000	\$ 19,000	\$ 25,000	\$ 28,000	\$ 25,000	\$ 20,000	\$ 15,000	\$ 15,500	\$ 22,500	\$ 28,000	\$ 40,000
8 Year Total	\$ 165,000	\$ 225,000	\$ 114,000	\$ 160,000	\$ 133,000	\$ 185,000	\$ 125,000	\$ 165,000	\$ 70,500	\$ 112,500	\$ 125,000	\$ 190,000
% Increase	26.9%	15.4%	20.0%	18.5%	26.7%	15.6%	19.0%	10.0%	28.2%	25.0%	28.9%	26.7%
Average Annual \$ Inc	\$ 4,375	\$ 3,750	\$ 2,375	\$ 3,125	\$ 3,500	\$ 3,125	\$ 2,500	\$ 1,875	\$ 1,938	\$ 2,813	\$ 3,500	\$ 5,000
Average Annual % Inc	2.9%	1.8%	2.3%	2.1%	2.9%	1.8%	2.2%	1.2%	3.1%	2.8%	3.1%	2.9%

Appendix I

Historical Compensation

REPORT DATE	EFF. DATE	MAYOR	COMPTROLLER	PUBLIC ADVOCATE	CITY COUNCIL	BOROUGH PRESIDENT	DISTRICT ATTORNEY
1987	7/1/87	\$ 130,000	\$ 105,000	\$ 105,000	\$ 55,000	\$ 95,000	\$ 97,000
Sept. 1991 ⁽¹⁾		\$ 153,000	\$ 122,500	\$ 115,000	\$ 65,000	\$ 105,000	\$ 115,000
1987-1991		17.7%	16.7%	9.5%	18.2%	10.5%	18.6%
Oct. 1995	7/1/95 ⁽²⁾	\$ 165,000	\$ 133,000	\$ 125,000	\$ 70,500	\$ 114,000	\$ 125,000
1987-1995		26.9%	26.7%	19.0%	28.2%	20.0%	28.9%
1/1/1999 ⁽³⁾							\$ 136,700
June 1999	7/1/99	\$ 195,000	\$ 160,000	\$ 150,000	\$ 90,000	\$ 135,000	\$ 150,000
1995-1999		18.2%	20.3%	20.0%	27.7%	18.4%	20.0%
Current Proposal							
1999-2007		\$ 225,000	\$ 185,000	\$ 165,000	\$ 112,500	\$ 160,000	\$ 190,000
1999-2007		15.4%	15.6%	10.0%	25.0%	18.5%	26.7%

Notes:

- (1) With the exception of the DA's, the 1991 recommendations were proposed but not implemented; thus, the 1995 salaries were based effectively on the work of an 8 year commission.
- (2) The Public Advocate did not receive the 1995 increase until 7/1/98.
- (3) The DAs received an increase by operation of State Law which requires them to make at least the same as State Supreme Court judges.

Appendix J

Hypothetical Salaries Using Increases Consistent With DC37 Agreements 2000-2008

		Mayor	Borough President	Comptroller	Public Advocate	City Council Member	District Attorney
1999 Salary		\$ 195,000	\$ 135,000	\$ 160,000	\$ 150,000	\$ 90,000	\$ 150,000
Eff. 4/1/00	4.00%	\$ 202,800	\$ 140,400	\$ 166,400	\$ 156,000	\$ 93,600	\$ 156,000
Eff. 4/1/01	4.00%	\$ 210,912	\$ 146,016	\$ 173,056	\$ 162,240	\$ 97,344	\$ 162,240
Eff. 7/1/03	3.00%	\$ 217,239	\$ 150,396	\$ 178,248	\$ 167,107	\$ 100,264	\$ 167,107
Eff. 7/1/04	2.00%	\$ 221,584	\$ 153,404	\$ 181,813	\$ 170,449	\$ 102,270	\$ 170,449
Eff. 7/1/04	1.00%	\$ 223,757	\$ 154,908	\$ 183,595	\$ 172,120	\$ 103,272	\$ 172,120
Eff. 7/1/05	3.15%	\$ 230,805	\$ 159,788	\$ 189,378	\$ 177,542	\$ 106,525	\$ 177,542
Eff. 8/1/06	2.00%	\$ 235,421	\$ 162,984	\$ 193,166	\$ 181,093	\$ 108,656	\$ 181,093
Eff. 2/1/07	4.00%	\$ 244,838	\$ 169,503	\$ 200,893	\$ 188,337	\$ 113,002	\$ 188,337
Average	2.89%						

Appendix K

Hypothetical Salaries with Increases Consistent With CPI (NY/NJ/CT)

		Mayor	Borough President	Comptroller	Public Advocate	City Council Member	District Attorney
1999 Salary	CPI %	\$ 195,000	\$ 135,000	\$ 160,000	\$ 150,000	\$ 90,000	\$ 150,000
CY 2000	3.1%	\$ 201,045	\$ 139,185	\$ 164,960	\$ 154,650	\$ 92,790	\$ 154,650
CY 2001	2.5%	\$ 206,071	\$ 142,665	\$ 169,084	\$ 158,516	\$ 95,110	\$ 158,516
CY 2002	2.5%	\$ 211,223	\$ 146,231	\$ 173,311	\$ 162,479	\$ 97,487	\$ 162,479
CY 2003	3.1%	\$ 217,771	\$ 150,764	\$ 178,684	\$ 167,516	\$ 100,510	\$ 167,516
CY 2004	3.5%	\$ 225,393	\$ 156,041	\$ 184,938	\$ 173,379	\$ 104,027	\$ 173,379
CY 2005	3.9%	\$ 234,183	\$ 162,127	\$ 192,150	\$ 180,141	\$ 108,085	\$ 180,141
CY 2006 ¹	3.9%	\$ 243,316	\$ 168,450	\$ 199,644	\$ 187,166	\$ 112,300	\$ 187,166
Average	3.2%						

1. Assumes same as 2005

Appendix L

Hypothetical Salaries with Increases As Per Mayor's Personnel Orders 2000-2007

		Mayor	Borough President	Comptroller	Public Advocate	City Council Member	District Attorney
1999 Salary		\$ 195,000	\$ 135,000	\$ 160,000	\$ 150,000	\$ 90,000	\$ 150,000
Eff. 7/1/00	4.00%	\$ 202,800	\$ 140,400	\$ 166,400	\$ 156,000	\$ 93,600	\$ 156,000
Eff. 7/1/01	4.00%	\$ 210,912	\$ 146,016	\$ 173,056	\$ 162,240	\$ 97,344	\$ 162,240
Eff. 7/1/03	3.00%	\$ 217,239	\$ 150,396	\$ 178,248	\$ 167,107	\$ 100,264	\$ 167,107
Eff. 7/1/04	2.00%	\$ 221,584	\$ 153,404	\$ 181,813	\$ 170,449	\$ 102,270	\$ 170,449
Eff. 7/1/04	1.00%	\$ 223,757	\$ 154,908	\$ 183,595	\$ 172,120	\$ 103,272	\$ 172,120
Eff. 7/1/05	3.15%	\$ 230,805	\$ 159,788	\$ 189,378	\$ 177,542	\$ 106,525	\$ 177,542
Eff. 8/1/06	2.00%	\$ 235,421	\$ 162,984	\$ 193,166	\$ 181,093	\$ 108,656	\$ 181,093
Eff. 2/1/07	4.39%	\$ 245,761	\$ 170,142	\$ 201,650	\$ 189,047	\$ 113,428	\$ 189,047
AVERAGE	2.94%						

Appendix M

City Council Stipends (Lulus) 2006*

POSITION	MEMBER	Lulu
Speaker	Christine C. Quinn	\$28,500
Majority Leader/Health	Joel Rivera	\$23,000
Deputy Majority Leader/Consumer Affairs	Leroy G. Comrie, Jr.	\$20,000
Minority Leader	James S. Oddo	\$18,000
Welfare	Bill de Blasio	\$15,000
Assistant Majority Leader/Youth Services	Lewis A. Fidler	\$15,000
Majority Whip/Standards and Ethics	Inez E. Dickens	\$11,000
Minority Whip	Dennis P. Gallagher	\$5,000
Standing Committees		
Finance	David I. Weprin	\$18,000
Land Use	Melinda R. Katz	\$18,000
Housing and Buildings	Erik Martin Dilan	\$10,000
Mental Health, Mental Retardation, Alcoholism, Drug Abuse & Disability Services	G. Oliver Koppell	\$10,000
Women's Issues	Helen Sears	\$10,000
Aging	Arroyo	\$10,000
Civil Rights	Larry B. Seabrook	\$10,000
Civil Service and Labor	Joseph P. Addabbo, Jr.	\$10,000
Contracts	Yvette D. Clarke	\$10,000
Cultural Affairs, Libraries & International Intergroup Relations	Domenic M. Recchia, Jr.	\$10,000
Economic Development	Thomas White, Jr.	\$10,000
Education	Robert Jackson	\$10,000
Environmental Protection	James F. Gennaro	\$10,000
Fire and Criminal Justice Services	Miguel Martinez	\$10,000
Governmental Operations	Simcha Felder	\$10,000
Higher Education	Charles Barron	\$10,000
Immigration	Kendall Stewart	\$10,000
Juvenile Justice	Sara M. Gonzalez	\$10,000
Lower Manhattan Redevelopment	Alan J. Gerson	\$10,000
Oversight and Investigations	Eric N. Gioia	\$10,000
Parks and Recreation	Helen D. Foster	\$10,000
Public Safety	Peter F. Vallone, Jr.	\$10,000
Rules, Privileges and Elections	Diana Reyna	\$10,000
Sanitation and Waste Management	Michael E. McMahon	\$10,000
Small Business	David Yassky	\$10,000
State and Federal Legislation	Maria Baez	\$10,000
Technology in Government	Gale A. Brewer	\$10,000
Transportation	John C. Liu	\$10,000
Veterans	Hiram Monserrate	\$10,000
Waterfronts	Michael C. Nelson	\$10,000
Subcommittees		
Zoning and Franchises (Land Use)	Tony Avella**	\$4,000
Landmarks, Public Siting & Maritime Uses (Land Use)	Jessica S. Lappin	\$4,000
Planning Dispositions and Concessions (Land Use)	Daniel R. Garodnick	\$4,000
Drug Abuse (Mental Health)	Annabel Palma	\$4,000
Public Housing (Housing and Buildings)	Rosie Mendez	\$4,000
Senior Centers (Aging)	James Vacca	\$4,000
Select Committees		
Community Development	Albert Vann	\$4,000
Libraries	Vincent J. Gentile	\$4,000

* Adopted at the State Meeting of the New York City Council, January 18, 2006

**Declines lulu

Appendix N

Testimonies Submitted to the Commission

**TESTIMONY of DICK DADEY
Executive Director, Citizens Union of the City of New York
Before the
Advisory Commission for the Review of
Compensation Levels of Elected Officials
June 1, 2006 (amended June 7, 2006)**

Good Afternoon, Chairman Bernstein, Commission Members Michelson and Palmer. My name is Dick Dadey, and I am the executive director of Citizens Union of the City of New York, an independent, non partisan, civic organization of New Yorkers who promote good government and advance political reform in our city and state. For more than a century, Citizens Union has served as a watchdog for the public interest and an advocate for the common good.

I am here today to provide testimony regarding your commission's review of compensation levels for the offices of Mayor, Comptroller, Public Advocate, Borough President, City Council Member, and District Attorney, which have remained unchanged since they last were raised in 1999.

Citizens Union is concerned that no Quadrennial advisory commission for the review of compensation levels of elected officials was appointed in 2003 as required by the New York City Administrative Code under Title 3, Chapter 3, § 3-601. It is understandable why the Mayor chose not to convene such a commission in 2003 as required by law, because it would have been difficult to consider raising elected officials salaries at a time when the city was cutting its budget and raising taxes. Nevertheless, a commission should have been convened as has been the practice since 1987. One could have been formed as was the case in 1991 even though the Commission formally recommended not increasing the salary of current office holders given the city's tight finances, which was accepted by then Mayor Dinkins and Council Speaker Vallone. However, a commission in 2003 still could have made a recommendation not to raise the current salaries because of the city's financial picture at the time and instead proposed a modest increase to take effect at the commencement of the next term in office, which would have been January 1, 2006.

There is not an easy or fair answer to the question put before this Compensation Commission: Whether to raise the salaries of the city's elected offices and their current occupants and if so, by how much?

Had the cycle of reviewing the salaries every four years not been broken, Citizens Union would have ideally preferred that salary increases recommended by Quadrennial Advisory Compensation Commissions - which ultimately are advisory and subject to the approval of both the Mayor and the Council - not go into effect until the commencement of the next term. It makes good sense that the Council and the Mayor not participate in or vote on their current salaries, but rather on those elected for the next term, even if those salary increases are proposed

by a separate body such as the Quadrennial Compensation Commission and the offices are held by the same re-elected officials. But the Administrative Code as presently written empowers these commissions with the authority to make such recommendations applicable to the current office holders, subject to the approval, disapproval or modification of either the Mayor or the Council. However, nothing in the Administrative Code precludes Compensation Commissions from recommending the effective date of the salary increases start upon commencement of the next term of office.

Though Citizens Union is nevertheless troubled that the consideration of such raises comes so soon after the election of those who either were returned to office or came to office knowing full well what their compensation would be, we believe that to be fair the compensation cycle needs to be reset and that the current office holders should not be denied appropriately modest compensation increases because a 2003 Quadrennial Compensation Commission was not convened as scheduled. If this Commission were to recommend that the level of compensation not be increased until the start of the next term, it would then be eleven years before city elected offices would be granted such increases, a not altogether acceptable or practical solution. That eight years have passed already without an increase while other city employees have received salary increases is further reason for the commission to consider increasing the compensation for the elected officials.

It is for this reason that Citizens Union would support a recommendation from this Commission for modest increases in the compensation of the elected officials in the current term, provided that such increases do not take place until a time appropriate during the 2007 fiscal year. We also firmly believe that whatever increases are recommended should not be retroactive or adjusted upward by the Mayor or the Council.

Additionally, the compensation for the county District Attorneys should be increased by a greater amount than for other offices, because the pay too low for those who are members of the legal profession in service to the city, and a number of senior assistant District Attorneys are already making more than their elected bosses.

If I may, I would like to address specifically the issue of compensation for Members of the City Council. Ninety thousand dollars is a large salary for a Member of the City Council, for what is essentially viewed as a part time position, in that it is the only elected office that allows for outside income to be earned in addition to the compensation they receive as a city employee. In Chapter 49, § 1100, the New York City Charter specifically states, "Every head of an administration or department or elected officer except Council Members who receives a salary from the city shall give whole time to the duties of the office and shall not engage in any other occupation, profession or employment." Therefore, the office of Member of the City Council, unlike Mayor, Comptroller, Public Advocate, Borough President and District Attorney, enjoy the privilege and opportunity to earn an income in addition to their public salary.

Council members, who hold either committee chairs or leadership positions, also receive an additional salary in the form of stipends. These amounts range from \$4,000 - \$18,000 for committee chairs, and leadership positions all the way up to \$28,500 for Speaker. Currently, forty-six Council Members receive a stipend on top of their base compensation leaving only five

of the fifty-one Council Members receiving just the base salary of \$90,000. Everyone else earns from \$94,000 to \$118,500. Of the forty-six who earn their base pay and receive a stipend, the average salary is \$100,598. For a complete listing of the stipends Council Members receive, please see Appendix D.

Citizens Union strongly suggests eliminating the awarding of these stipends and instead raising the base pay across the entire membership of the Council, and only provide the Council Speaker, the Majority Leader, and the Minority Leader with a higher salary as is the case in the U.S. Congress. If the stipends were eliminated, the base pay would need to be increased to take into consideration the loss of this income and increased cost of living that has occurred over the past eight years. By eliminating stipends, one would rightly remove from the Speaker's authority the ability to reward or punish his or her colleagues through compensation, and therefore strengthen the independence of individual Council Members.

Should the Commission decide to substantially increase the compensation of Council Members, it must not do so without tying it to the elimination of stipends.

In determining what might be an appropriate level of compensation for Members of the City Council, it might be helpful for the Commission to know that the City of New York currently ranks eighth in the country in Council Member compensation. (For a more in-depth review of the Council compensation and municipal laws governing such compensation, please see the provided appendixes A and B.)

Our research also shows that of the 51 Council Members who served in 2004, 19 of them reported income in addition to their Council salary. For 8 of those, the only income was from non employment based income or investment/interest income. The remaining 11 earned an outside income through employment in 2004, and on average the amount earned was in the range of \$55,000 and \$140,000. Median income was between \$60,000 and \$100,000. In essence, approximately 20% of Council Members held jobs outside of their Council jobs. (Additional details on earnings are available in appendix C).

Citizens Union knows many Council Members work more than full time in service to the city and their constituents. In doing so, they provide extremely capable leadership. Citizens Union believes that Council Members should earn a city salary that would allow them to devote their "whole time" attention to performing their duties without the need to earn an outside income. We are troubled by the several members of the Council who earn other employment-related income, but provide less than whole time attention to fulfilling their responsibilities because of the distraction that results from being allowed to work outside of the Council. However, we do not yet support a ban on earning outside income for what is still legally a "part time" job. The notion that the Council should be redefined as a full time job with compensation equal to that expectation - along with a ban on earning outside income - is an idea worth considering, though probably not at this time and not by this Commission.

In conclusion, let me summarize what is the current position of Citizens Union regarding compensation of elected officials:

1. The compensation for all elected city officials should be modestly increased, especially because no increase has been provided since 1999. Our elected officials should also not be unfairly penalized because no Compensation Commission was appointed in 2003 as was required by law.
2. District Attorneys should receive a more substantial increase because they work in the legal profession and several senior assistant district attorneys are receiving more than their elected bosses.
3. The Commission should require the elimination of any stipends but for the top leadership positions as part of any recommendation to substantially increase the compensation of Council Members.
4. The Mayor should convene a legally required Compensation Commission in 2007 to not only restore the quadrennial cycle of elected official compensation review, but also address whether the office of Council Member should no longer be defined as a "part time position," and if so, what restrictions, if any, should be placed on the earning of outside income. We would also ask that the 2007 commission review whether compensation increases taking place in the future should occur only at the start of the next term in office.

Thank you Mr. Chairman for the opportunity to present the testimony of the Citizens Union of the City of New York.

New York Public Interest Research Group, Inc.

9 Murray Street*New York, New York 10007*(212) 349-6460

May 31, 2006

Tom Bernstein
Chair
Quadrennial Commission on Salaries for Elected Officials
City Hall
New York, New York 10007

Dear Mr. Bernstein:

I have testified on behalf of NYPIRG before every Quadrennial Commission since their start in the early 1980's. Unfortunately, it has usually not been productive. Past Commissions took a very crabbed view of their role, limiting its work to simply crunching numbers. I hope this Commission is more policy oriented than that.

I urge you to consider three issues.

The first is the one of part-time vs. full-time service for Council Members.

The vast majority of the Council serve full time, devoting all their time and attention to their Council work. Why not follow the pattern in other legislatures of limiting the amount of outside income that can be earned? That would allow Council Members to have some additional employment experience, but insure largely full-time service. The Commission is clearly empowered by section (26) (c) to study the issue.

The second is one of timing. The cycles of your Commission insure that salary decisions for elected officials will be made early in the terms of these officials, long before the public has an electoral say. Why not follow the pattern in other legislatures of making raises prospective, for the next round of officials? This

makes more sense under term limits, allowing Members to know while they are running the salary they can expect.

Third are "so-called" Council stipends. Committee chairs, sub-committee chairs, and Council leaders all have their salaries increased by these stipends, in exchange for their "extra" committee work. Why not have any salary increases be tied to the elimination of stipends, which as used to punish or reward membes and tug at their independence?

Thank you for your consideration. I would be happy to meet or discuss these issues with you.

Sincerely,

Gene Russianoff
Senior Attorney



CITY OF NEW YORK
PRESIDENT
OF THE
BOROUGH OF STATEN ISLAND

EVANS P. MOLINARO
PRESIDENT

BOROUGH HALL, STATEN ISLAND, N.Y. 10301

May 31, 2006

Honorable Tom A. Bernstein
Chair, Advisory Commission to
Review the Compensation Levels
of Elected Officials

By Telephone Facsimile
1.212.788.9869

Re: Public Hearing scheduled for
June 1, 2006

Dear Chairman Bernstein and Members of the Commission:

Please accept this letter as my written comments and proposal to be presented at the public hearing scheduled for June 1, 2006. A representative from my office will be attending, but I wished to emphasize the importance and the need for an upward adjustment of compensation for New York City's Elected Officials.

After the terrorist attacks of September 11, 2001, it was well understood that a review of compensation for New York City's Elected Officials was untimely and ultimately unimportant in light of the tragic events and the dire plight of the City's finances. Now years later, with the City again on strong financial footing it is time to review and address the long stagnant salaries of elected officials.

As the elected official representing all of the People of Staten Island, as the other Borough Presidents represent all of the People of their respective Boroughs, it is utterly ridiculous that I and my fellow Borough Presidents are relegated to salaries much, much lower than the salaries made by many of the people working on the Mayor's staff.

The Borough Presidents serve a vital role for the people of their Boroughs. They are the direct representative of the people of the entire Borough and act as the first line for citizen's problems, requests, and assistance. It is imperative to the continued health and vitality of the City that the Office of Borough President attract the best qualified people to represent the people of this City.

As public servants we all understand that it is an honor and privilege to serve the people of the City of New York; and in my case the people of Staten Island. We accept

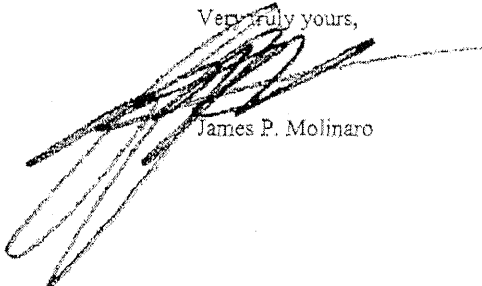
that the job involves the sacrifice of personal and family lives. In running to be an elected official of the City of New York, we all acknowledge that the salaries do not compensate for the time and effort and energy needed to serve. The salaries must not then act as a deterrent to qualified people seeking public office.

The current salaries of the Borough Presidents, as well as other elected officials will never match the responsibilities of their offices or the caliber of the people who serve. While we all make sacrifices to serve the public, the elected officials of the greatest city in the world should not be expected continue without just compensation and without a raise in seven years.

In 1997, the last year in which the Advisory Commission reviewed the salary of elected officials, the Consumer Price Index for the New York area was at 170.2, (using 1982-84 as the base year of 100). As of April 2006, the same Consumer Price Index stands at 220.2. That is an increase in the cost of living in New York City of approximately 30%. For a Borough President's salary to have the same buying power that it did in 1997, the current 2006 salary would have to be \$174,660.00.

I urge this Commission to carefully review the salaries of the elected officials of New York City and recommend an increase to reflect the responsibilities, the status, and the services of the office. I also urge that the Commission consider the increase in the cost of living since the last time salaries were reviewed. In the case of Borough Presidents, I urge the Commission to recommend a reasonable salary of \$175,000.00

Very truly yours,



James P. Molinaro

HPM:ams

Letters Submitted to the Commission



CHRISTINE C. QUINN
SPEAKER

THE COUNCIL
OF
THE CITY OF NEW YORK
CITY HALL
NEW YORK, NY 10007

TELEPHONE
212-788-7210

July 24, 2006

Tom A. Bernstein, Chair
Quadrennial Advisory Commission for the Review of
Compensation Levels for Elected Officials
City Hall
New York, NY 10007

Dear Chairman Bernstein:

As the Speaker of the City Council, I am writing to advocate an increase in compensation provided to Members of the City Council. I understand that the Quadrennial Advisory Commission for the Review of Compensation Levels for Elected Officials ("the Commission") has completed public hearings, conducted extensive research, and is now preparing to issue a report to Mayor Michael Bloomberg. I hope that, as you deliberate, you will recognize that the compensation levels for Members of the City Council should be increased to reflect the important role and duties of Council Members, increases in the cost of living in the City, and the compensation afforded Members of the City Council relative to others in similar jobs in the public and private sectors in New York City and across the country.

Mayor Bloomberg appointed the Commission in May 2006. The Commission's responsibilities are set forth in the City's Administrative Code section 3-601, as amended in 1986. They are: "[to] study the compensation levels for the mayor, the public advocate, the comptroller, the borough presidents, the council members and the district attorneys of the five counties within the city, and [] recommend changes in those compensation levels if warranted." The Commission is directed to consider the following factors:

- (1) The duties and responsibilities of each position;
- (2) The current salary of the position and the length of time since the last change;
- (3) Any change in the cost of living;
- (4) Compression of salary levels for other officers and employees of the city; and
- (5) Salaries and salary trends for positions with analogous duties and responsibilities both within government and in the private sector.

I have reviewed each of these factors below, and I believe that this analysis shows that Council Members are due for an increase in their base compensation of at least 25 percent, from \$90,000 to \$112,500.

1. City Council Members' Responsibilities Are Significant and Have Increased in Recent Years

The role of the City Council is set in the New York City Charter. The City Council is vested under the Charter, as amended in 1989, with the authority to adopt local laws it deems appropriate, to conduct oversight and investigation, to determine the efficacy of city procurement policies, to provide advice and consent on Mayoral appointments to numerous boards and commissions, to adopt and modify the City's expense and capital budgets, and to approve, disapprove, or modify the decisions of the City Planning Commission.

The authority extended to the Council in the City's 1989 Charter requires each Council Member to satisfy multiple responsibilities.

First, Council Members serve the needs of their constituents and attend to issues in their districts. Each City Council Member represents approximately 150,000 New Yorkers. Council Members spend a great deal of time providing constituent services to individuals, representing their communities in different forums, meeting with community groups, and ensuring that the City and the Council address district concerns and needs. While some of the work in a Council Member's district takes place during the day, Council Members also spend many evening and weekend hours on work in and for the communities they serve.

Second, Council Members handle extensive city-wide responsibilities at the Council. The city-wide workload for Council Members has actually increased in recent years. The average Member sits on six committees now, as compared with four committees in 1999. This is an increase of 50 percent, and with each committee required to meet at least once a month, it means many more committee meetings.

The New York City Council works closely with the Mayor and ultimately adopts a comprehensive annual budget for the City. New York City has the largest budget of any city in the nation, and its budget is in fact larger than all state budgets excluding New York and California. The budget process is involved and time-intensive. This process begins at the start of the new fiscal year, and becomes particularly intensified in the months leading up to the end of the fiscal year. At the height of this past budget season, Members met for over 40 hours in Budget Negotiating Team meetings, and sometimes daily in Borough Delegation meetings, Finance Committee Hearings, and Democratic Caucus meetings. Additionally, the Council considers modifications to the City's budget at various times throughout the year.

The Council also has extensive involvement in reviewing major development and infrastructure projects in the City. In the past several months alone, the Council has held

extensive hearings and negotiations on the new Yankee Stadium, the new Mets Stadium, the Solid Waste Management Plan, and other major development and infrastructure projects in the City. Council Members have studied, reviewed, and voted on these matters based on the interests of the City as a whole in mind, and not on how a particular project would impact their own Council district.

Third, unlike many state and local legislative bodies, the Council meets throughout the year. The full Council meets in July and August each summer, and the Finance and Land Use Committees, on which a majority of the Council's 51 members serve, meet 12 months of the year.

The press, outside interest groups, and past advisory commissions have sometimes focused on the fact that the Council Member job is technically part time – and that, for this reason, the compensation, which is less than that for other elected officials, is justified. However, while a small number of Members of the current Council have outside work, the Commission should know that many Council Members, including those with outside paid activities, often work more than 60 hours a week. Additionally, the work that Council Members can do is limited by the City's Conflict of Interest laws and rules. The ability to seek and maintain outside employment is essential, however. The Council Members who do outside work have experience that is valuable to their work as Council Members

2. Council Member Salaries Have Not Been Increased in Seven Years

In 1999, the last Quadrennial Advisory Commission for the Review of Compensation Levels recommended, and the Council set, salaries for Council Members at \$90,000. The Council Member salaries have remained at \$90,000 for the past seven years. The salaries for Council Members had been set at \$55,000 in 1987, raised to \$70,500 in 1995, and increased to the current level in 1999.

Although the law requires the salaries of elected officials be reviewed every four years, the Mayor did not empanel an Advisory Commission in 2003 due to the severe fiscal crisis that the City was facing. In the past four years, the City has emerged from a fiscal crisis and ended the last fiscal year with the largest surplus in the City's history.

In addition to their salaries, most Council Members do receive an additional stipend for serving in a leadership position or as a committee chair. These stipends must be viewed in the context of the job of Council Member. The average stipend, for those Council Members who receive a stipend, is approximately \$10,000 a year. The average stipend, for those who receive a stipend, has actually decreased by \$3,500 since 1998. Previous advisory commissions have recognized that these stipends exist and that they are specifically authorized by the Charter as allowances for committee chairpersons and Members in leadership positions.

Moreover, the Council has taken steps to create uniform stipends for committee chairs. Whereas in the past, the stipends varied committee to committee, now all

committee chairs receive a uniform stipend, with a moderate increase for the Finance and Land Use chairs, and for those who hold leadership positions in the Council, and slightly lesser amounts for subcommittee chairs.

It is appropriate to compensate Council Members for the extensive time involved in serving as a chair of a committee or in a leadership position. The Chair of the Council's Finance Committee conducted 23 days of budget hearings this past budget cycle in addition to regular Finance Committee hearings. In addition, the chair met with over 100 groups seeking to provide input on the Fiscal 2007 budget, and attended many other budget briefings and negotiating sessions in his capacity as chair. Similarly, the Chair of the Council's Land Use Committee meets with virtually all applicants for land use actions who come before the Committee. This involves over 100 meetings each year, in addition to Committee hearings, meetings and negotiation sessions. Other committee chairs have also devoted extensive time to committee work. For example, the General Welfare and the Education Committees, have typically held at least two hearings a month for the past four years, as well as community meetings.

3. Cost of Living in New York City Has Increased 25 Percent Since the Last Pay Increase in July 1999

According to the Consumer Price Index for All Urban Consumers (CPI-U) from the United States Bureau of Labor Statistics, the cost of living in the New York metropolitan area increased by 25 percent between July 1999 and May 1, 2006. Therefore, compensation levels for elected officials in New York City should be increased by 25 percent simply to keep up with increases in the cost of living.

4. There is No Compression of Salary Levels for other Officers and Employees of the City

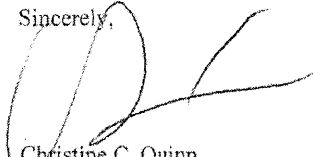
There is no compression of employee salary levels in the Council. To the contrary, to attract quality staff, many senior employees are compensated at higher levels than the elected officials whom they serve. This, however, is a reason to increase Council Member salaries, and is not a reasonable basis upon which to deny Council Members fair and appropriate compensation.

5. Salaries and Salary Trends for Similar Positions Suggest Need for an Increase for City Council Members

Salaries of City Council Members in other large U.S. cities vary widely. Notably, Council Members in New York City are paid less than those in all but one of the five largest cities in the United States, and that city is Houston, where the cost of living is substantially less than New York. In Los Angeles, Council Members are paid over \$149,000 annually. In Philadelphia, the second largest city in the Northeast, Council Members earn over \$102,000 annually, and in Chicago, a large and diverse City with a much lower cost of living, Aldermen earn annual salaries of over \$98,000.

In conclusion, I believe that paying Council Members adequate salaries is a matter of good public policy, and, based on the criteria that the Commission is required to consider in making a determination about compensation, that an increase in the salaries of Council Members is in order. I know that my colleagues work extremely hard on behalf of their districts and on behalf of the City. I believe that the quality of service the Council provides to the City is extremely high. I urge you to increase compensation because it is fair, and, most importantly, so that the City can continue to attract highly qualified candidates to serve in the Council for the betterment of New York.

Sincerely,



Christine C. Quinn
Speaker

cc. G.G. Michelson
Stephanie Palmer

Attachments

Robert T. Johnson
DISTRICT ATTORNEY OF BRONX COUNTY

Charles J. Hynes
DISTRICT ATTORNEY OF KINGS COUNTY



Robert M. Morgenthau
DISTRICT ATTORNEY OF NEW YORK COUNTY

Richard A. Brown
DISTRICT ATTORNEY OF QUEENS COUNTY

May 31, 2006

Tom A. Bernstein
Chairman, Quadrennial Advisory Commission
for the Review of Compensation Levels for
Elected Officials
345 Park Avenue, Suite 3-1
New York, NY 10154

Dear Chairman Bernstein:

Thank you for requesting our views regarding the compensation level of the District Attorneys in New York City. As you know, the Administrative Code requires the Quadrennial Advisory Commission to review salaries for elected officials, including the District Attorneys, to ensure that their compensation reflects the important work that they perform. Factors to be considered include salary trends for positions with analogous duties, the length of time since the last change, changes in the cost of living, and the compression of salary levels for others in the elected official's office. In light of these guidelines, we believe the annual salary of the District Attorneys should be raised to \$185,000.

We bear the primary responsibility for prosecuting crimes, including the most serious murders and the most sophisticated white-collar crimes. The public relies on the District Attorneys to see that justice is done in all cases, including those involving official misconduct and corruption. Recently we have been dealing with an upsurge in homicides, which jumped nearly 11 percent citywide thus far this year, as well as increasing identity theft crimes, child abuse reports and gun investigations. We also oversee quality of life crimes, so important to our communities, and a wide variety of school programs, drug treatment programs and other initiatives aimed at preventing crime. We supervise hundreds of lawyers and hundreds of support staff, and have budgets in the tens of millions. Our offices are among the largest law firms in the City.

Because the commission convened two years later than mandated by law, the salary of the District Attorneys has remained at \$150,000 for the past six years. During this time, the baseline Consumer Price Index (CPI), one of the standard measures of the real cost of living in a region, has increased by 23 percent in New

York for the 1999-2006 period.¹ If the salary of the District Attorneys had kept pace with the cost of living, it would now be approximately \$185,000 a year. Significantly, the CPI continues to rise at a significant pace, with the Bureau of Labor Statistics May 2006 report detailing a 0.9 percent monthly increase in the CPI for the New York Area, the biggest single-month jump in almost a year.² In light of the two-year delay in forming the Commission, we ask that the salary adjustment be retroactive to 2004. Furthermore, we hope that the Commission will consider tying the new salaries to a cost of living increase, similar to that granted to Federal judges.³

Public sector employees in New York City with similar duties are paid at levels higher than the District Attorneys. Deputy Mayors are paid \$184,612; the First Deputy Mayor is paid \$213,391. The New York City Corporation Counsel, the New York City Criminal Justice Coordinator and senior commissioners are paid \$178,156. The Executive Director of the MTA is paid \$235,000, and the Chancellor of the Department of Education is paid \$250,000. The Director of the Port Authority earns \$251,764 and his deputy earns \$206,752. Recently, the Mayor appointed a new commissioner of the Community Assistance Unit. This young appointee, who oversees a staff of only 25, will be compensated \$166,884 annually. There are over 350 New York City employees who earn more than the District Attorneys.

Also relevant are the salaries paid to District Attorneys around the country. For example, the District Attorneys in California earn \$229,095 in Santa Clara; \$220,445 in Los Angeles; and \$218,858 in Alameda. In Chicago, the District Attorney is paid \$173,887. If these salaries were adjusted to New York City cost of living standards, their salaries would be even higher.⁴

The inadequacy of the District Attorney's earnings is brought into higher relief when compared to legal salaries in the private sector. Approximately twenty New York City law firms pay their first year associates \$145,000 and a bonus, bringing their annual earnings above those of the elected District Attorneys. Senior partners in these same firms, who have far more analogous responsibilities to the District Attorneys, are paid millions.⁵

¹ Source: Bureau of Labor Statistics

² Source: amNewYork, "Jump in NYC Housing, Living Costs," May 18, 2006.

³ Federal judges are eligible to receive a salary adjustment whenever a cost-of-living adjustment (COLA) is conferred on Federal workers paid according to the General Schedule. Pursuant to Section 140, no COLA for federal judges can take effect without being specifically authorized by Congress. Source: American Bar Association.

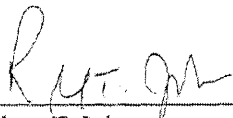
⁴ Using a salary calculator, one can convert these salaries into their New York City equivalent, taking into account the higher cost of living here. The California salaries would then be \$281,207 in Santa Clara; \$302,310 in Los Angeles-Long Beach; and \$259,822 in Alameda. The Chicago District Attorney's salary would increase to \$283,746. Source: American Chamber of Commerce Researchers Association

⁵ Source: Crain's New York Business, "Prosecutors Going Private for White-Collar Dollars," July, 18, 2005.

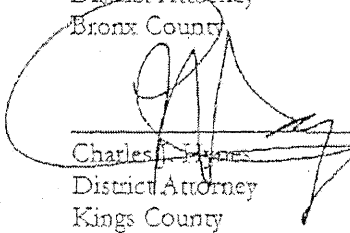
The salary of the District Attorneys has severely compressed the compensation of our top staff members and has negatively affected earnings at all levels in our offices. This has had a harmful effect on employee retention. Although there is stiff competition for entry-level positions, many leave the public sector for more lucrative jobs after they have received invaluable training and experience as prosecutors. Our best prosecutors, who have handled the most complex cases, involving both violent crime and white collar crime, are most in demand. Some firms, and even regulatory and other public agencies, are offering these prosecutors tens of thousands of dollars more in pay. Our ability to fight crime will be gravely affected if we cannot adequately compensate our best and brightest.

Thank you for your attention to our views on this important matter.

Sincerely,



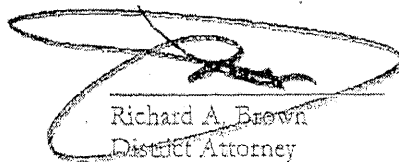
Robert T. Johnson
District Attorney
Bronx County



Charles J. Hynes
District Attorney
Kings County



Robert M. Morgenthau
District Attorney
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Richard A. Brown
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May 20, 2006

Mr. Tom A. Bernstein
Chair
Advisory Commission For The Review
Of Compensation Levels of Elected Officials

VIA FAX & EMAIL

c/o advorking@cityhall.nyc.gov

Dear Mr. Bernstein:

Thank you for the recent notice indicating that you are soliciting comments for your salary review of elected officials. My comments will be limited to the salaries of Council Members.

While, I believe the present \$90,000 Council Member salary is more than adequate, I will leave that decision to the Commission.

However, if the Commission does recommend a salary increase for Council Members, since the Council will vote on your recommendations, I believe any such increase should apply to the next class of Council Members. As elected officials, we should set an example and therefore, we should not be voting to increase our own salary, even if recommended by an independent commission.

In addition, if an increase is proposed, it should come with the proviso that if enacted:

- The City Council must eliminate the stipends (lulus) Council Members can receive for extra duties; and
- The position of Council Member should be designated as "Full Time."

I hope that you will give my suggestions serious consideration.

Sincerely,

Tony Avella
Council Member
District 19 - Northeast Queens
TA:kam

Walter L. McCaffrey

April 22, 2005

2 Lafayette Street
14th Floor
New York, NY 10007

Dear Chairwoman Fuchs:

As the Charter Revision Commission examines ways in which the integrity and performance of City government may be improved, I would like to call your attention to an abuse of the principles of democratic governance – and of taxpayer funds – that should be explicitly prohibited by the City Charter: the distribution of bonuses, or “lulus,” to members of the City Council.

Although the Charter does not contemplate the distribution of lulus, it has become standard practice. Over the years, it has grown from a way to compensate one or two leaders for their additional duties, to providing substantial salary increases to 90 percent of the City’s legislators. The salary for Council member is set in the City Charter at \$90,000, but each year, lulus totaling more than \$500,000 are distributed to all members who serve as committee chairs and in leadership positions, with each receiving \$4,000 to \$29,500.

From 1986 to 2001, I had the honor of representing Western Queens in the City Council, where I served with one of your fellow Commissioners, Stephen Fiala. During my years in the Council, the number of committees and subcommittees numbered around 30. Today, the number is more than 40, and a record 45 of the Council’s 51 members receive a lulu, although I understand two (Eva Moskowitz and Tony Avella) decline to accept it. The distribution of lulus is bi-partisan: the Minority Leader receives an \$18,000 lulu, while the Minority Whip receives \$5,000, presumably to round up the third Republican vote. During my time in the Council, I received lulus ranging from \$3,000 to \$12,000.

The purpose of lulus is undeniable; they are used by the leader of a legislative body to reward allies and enforce discipline. When I served in the Council, the Chair of the Contracts Committee, Ronnie Eldridge, was stripped of her position and its accompanying lulu after she refused to vote with the Speaker. Two months ago, the redistribution of lulus following the election of a member to the State Senate raised eyebrows, as it appeared to be an attempt to reward allies. (The lulu for one committee was increased, while for another committee it was reduced.) And just this week, in

Albany, three members of the Assembly were stripped of more than \$30,000 in lulus by the minority leader after suspicions of disloyalty. The incident became the subject of an April 20th *Daily News* column by Bill Hammond, who noted that the "framers of the State Constitution tried to shield legislators from coercion. It says the pay of legislators may not be 'increased or diminished' during their term of office."

It is my understanding that the vast majority of the nation's city councils and state legislatures do not distribute lulus. Nor does the United States Congress, where freshman members of the House of Representatives earn the same salary as the chairs of the House Ways and Means Committee and the Senate Finance Committee. There is a reason for this: lulus debase the integrity of the legislative process.

The Charter Revision Commission now has an opportunity to end an abuse that has grown worse over the years, while also officially recognizing that the position of Council Speaker has evolved into one of the City's most important elected offices. Serving in that position is a demanding, full-time job, though it remains – according to the Charter – a part-time position. The Charter Commission can correct this by specifying that the position of Speaker is a full-time job, and, accordingly, that its salary be set in the Charter, as it is for Mayor, Public Advocate, Comptroller, and Borough President, at a level commensurate with its duties and responsibilities. Both of the Council's Speakers have ably treated the position as full time roles. The Charter Commission may also consider establishing higher salaries for the majority and minority leaders. At the same time, and most importantly, the Charter should expressly prohibit lulus.

I want to stress that I propose a prohibition on lulus not because I believe that Council members are paid too much; on the contrary, I believe the position should pay more. Council members in Chicago, Philadelphia, Washington, D.C., and Los Angeles – none of whom receive lulus – have higher salaries than Council members in New York, the nation's largest city. Once lulus are factored in, however, New York pays more than all cities but Los Angeles. Appropriate salaries should be set in law – as they are in these other cities – and not collected through a back door that members may find closed to them if they step out of line.

Despite fools and cheap shot artists who belittle the work of Council Members, these public officials are dedicated women and men who give tirelessly of their energy and judgment. They deserve salaries equal to the tremendous responsibilities they confront.

News reports suggest that in the coming months the Mayor will be appointing a Quadrennial Commission for the Review of Compensation Levels for Elected Officials, the mechanism that initiates proposed salary changes for all elected officials. Fixing the Council's broken salary structure will allow the Commission to recommend appropriate salaries without fearing that the Council will tack on an additional \$500,000.

The Charter's salary stipulations should not be rendered meaningless, nor should committee chairs be forced to weigh their own financial interests when considering how to vote — and yet these are exactly the effects of lusus. Elimination of lusus will actually benefit the Council institutionally by an enhancement of the public's respect for the legislative process. Now, the Charter Commission has an opportunity to ban them. I hope that you will give it full consideration.

Sincerely,

Walter L. McCaffrey

cc: Members of the Charter Revision Commission