

## State Agency Head Salaries

***The governor establishes most agency head salaries***

The governor establishes the salaries for most state executive branch agency heads, within limits set in law. For most agency heads, the limit is 133 percent of the governor's salary, to be adjusted for inflation each January. For several, the limit is 120 percent of the governor's salary, to be adjusted for inflation each January. Minn. Stat. § 15A.0815, subds. 2 and 3. Individual agency head salaries within the limits set in law are not subject to legislative approval.

The current limit for most agency heads is \$161,603 (133 percent of the governor's current salary of \$120,303, with an inflation adjustment applied in January 2014). The agency head salary limits will increase on January 1, 2015, and again on January 1, 2016, both because of the inflation adjustment and because the governor's salary is scheduled to increase by 3 percent on each of those dates. As indicated in the table below, none of the agency head salaries currently is close to the limit.

The legislature changed this system in 2013. Before the 2013 changes, agency head salaries were limited to 95 percent (or in several cases 85 percent) of the governor's salary, and individual agency head salaries within the salary limits required legislative approval.

***There is a different process for setting some agency head salaries***

There is a different process for setting salaries for heads of the statewide public pension funds, the lottery director, and the executive director of the State Board of Investment.

- For directors of the three statewide public pension funds, the governing board of the applicable pension system sets the salary, within the statutory limit of 133 percent of the governor's salary. These salaries are subject to legislative approval. Minn. Stat. § 15A.0815, subds. 2 and 5.
- The lottery director salary is set in statute at 95 percent of the governor's salary. Minn. Stat. § 349A.02, subd. 1.
- The salary for the executive director of the State Board of Investment is set by the board, under a compensation plan approved by the Subcommittee on Employee Relations of the Legislative Coordinating Commission and the full legislature. Minn. Stat. §§ 11A.04, cl. 14, and 43A.18, subd. 3b.

**Agency head salaries**

The following table lists the salaries for agency heads who are subject to the salary limits specified in statute. Most of the cabinet agency salaries were last increased by 5 percent as of January 2013 and by 5 percent as of January 2014. Before that, most salaries were last increased in 2000.

<b>Cabinet Agencies</b>	<b>Salaries</b>
Administration	\$119,517
Agriculture	119,517
Commerce	119,517
Corrections	119,517
Education	119,517
Employment and Economic Development	119,517
Health	119,517
Office of Higher Education	119,517
Housing Finance Agency	119,517
Human Rights	119,517
Human Services	143,281
Iron Range Resources and Rehabilitation	105,465
Labor and Industry	119,517
Management and Budget	119,517
Mediation Services	105,465
Natural Resources	119,517
Pollution Control Agency	119,517
Public Safety	119,517
Revenue	119,517
Transportation	119,517
Veterans Affairs	119,517
<b>Other Agencies</b>	
Gambling Control Board	\$95,067
Metropolitan Airports Commission, Chair	20,833
Metropolitan Council, Chair	58,489
Ombudsman for Mental Health and Developmental Disabilities	97,510
Pari-mutuel Racing	88,455
Public Utilities Commission	92,853
Minnesota State Retirement System	126,303
Public Employees Retirement Association	132,480
Teachers Retirement Association	132,480

**For more information:** Contact legislative analyst Mark Shepard at 651-296-5051. Also see the House Research publication *State Elected Officials' Compensation*, July 2014.

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