



# Cost of Living Adjustments ↔ In Other States

MODERNIZATION & RISK ANALYSIS (MARA)

MAY 14, 2026  
ADAM SECHRIST, LFD



# Federal Model

1 Locality Pay Areas

2 Commuting Rates

3 Population Size

4 Population Density

# 2026 Spokane, WA Locality Pay Area

Grade	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8	Step 9	Step 10
1	\$ 26,575	\$ 27,465	\$ 28,349	\$ 29,229	\$ 30,111	\$ 30,627	\$ 31,501	\$ 32,382	\$ 32,418	\$ 33,239
2	29,880	30,591	31,581	32,418	32,781	33,744	34,708	35,672	36,635	37,599
3	32,604	33,691	34,779	35,866	36,953	38,040	39,128	40,215	41,302	42,389
4	36,599	37,819	39,039	40,260	41,480	42,700	43,920	45,141	46,361	47,581
5	40,948	42,313	43,678	45,043	46,408	47,773	49,138	50,503	51,868	53,233
6	45,645	47,167	48,688	50,210	51,731	53,253	54,774	56,296	57,817	59,339
7	50,723	52,414	54,105	55,796	57,487	59,177	60,868	62,559	64,250	65,941
8	56,173	58,045	59,918	61,970	63,662	65,534	67,406	69,278	71,150	73,022
9	62,044	64,112	66,181	68,250	70,318	72,387	74,456	76,524	78,593	80,662
10	68,324	70,601	72,878	75,155	77,432	79,708	81,985	84,262	86,539	88,816
11	75,068	77,570	80,073	82,576	85,079	87,582	90,085	92,587	95,090	97,593
12	89,974	92,973	95,973	98,972	101,972	104,971	107,970	110,970	113,969	116,969
13	106,991	110,558	114,125	117,691	121,528	124,824	128,391	131,957	135,524	139,091
14	126,432	130,647	134,862	139,077	143,291	147,506	151,721	155,936	160,151	164,365
15	148,716	153,673	158,631	163,588	168,546	173,503	178,461	183,418	188,376	193,332



---

# State Geographic Pay Differential Policies

---



# Leftovers as Appetizers

## Alaska - 1999

Only out-of-state employees are eligible

COLA tied to nearest metropolitan market (Seattle, WA)

## Arkansas - 2009

Increases up to 10% of base salary based on geography

Agency must show cause (difficulty hiring qualified people)

## Maine - 2019

Job-specific increase available for a certain position

Geographic increase available for one region of state

## New York - 2014

Increase is based on job grade and baseline hiring rate (percentage or fixed \$ amount - maximum \$8,000/year)

Amount decreases as hiring rate increases

# Case #1

# Case #2

# Case #3

# Case #4

# Idaho

## Pay Differentials - 2025

- ◆ 2023 Study - recruitment, retention, geography, economy
- ◆ **Geographic Differentials** where regional labor markets differ
- ◆ **Pay ranges aligned with market pay structures**
- ◆ All differentials funded **within existing budgets**
- ◆ Differentials permitted **only when justified by market data** (not for management positions)
- ◆ Economic conditions may warrant additional adjustments even without a formal tool

Case #1

Case #2

Case #3

Case #4

# Nevada

## Pay Differentials - 1990

- ◆ Shift differential **up to 25% of hourly pay**, tied to local labor markets
- ◆ Designed to help agencies stay competitive for hard-to-fill roles
- ◆ Must be funded **within existing agency budgets**
- ◆ Applied only when supported by **market data and operational need**
- ◆ Geographic pay adjustments **valid for one year**
- ◆ State divided into **3 “geographic locations”**

Case #1

Case #2

Case #3

Case #4

# Colorado

## Pay Differentials - 2025

- ◆ Annual salary studies using **geographic differential data** for pay analysis
- ◆ Compares state salary and pay grade midpoints to **market medians and averages**
- ◆ Evaluate synergy potential between agencies in same geographic region
- ◆ Market data blends **public, nonprofit, and for-profit** benchmarks
- ◆ Actual salary differences may stem from performance, turnover, or longevity

Case #1

Case #2

Case #3

Case #4

# New Mexico

## Pay Differentials - 2015

- ◆ Recruitment differential **up to 15% of base pay**
- ◆ Differential applies to the **position**, not the employee
- ◆ Payment is **separate from base pay** and non-transferable
- ◆ Temporary differentials available for **critical, hard-to-recruit positions**
- ◆ Differentials above 15% or exceeding pay range max require **special authorization**