



**House
Legislative
Analysis
Section**

Washington Square Building, Suite 1025
Lansing, Michigan 48909
Phone: 517/373-6466

VILLAGE OFFICIALS: COMPENSATION

House Bill 4371 with committee amendments
First Analysis (5-8-89)

Sponsor: Rep. Debbie Stabenow
Committee: Towns and Counties

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THE APPARENT PROBLEM:

Under current law, village officers get paid (out of the village treasury general fund) only for each regularly scheduled village council meeting that they attend, with the amount being fixed by village ordinance. They may not be paid for any meetings they do not actually attend and may not be paid for any other services they may perform for the village during their term of office. Yet village business is as demanding as that of many cities, and village trustees (including village presidents) must do much of their official work for the village outside actual village council meetings. At the request of three general act villages, legislation has been proposed which would allow villages to decide how best to compensate their trustees.

THE CONTENT OF THE BILL:

The bill would amend Public Act 3 of 1895 (the act governing the incorporation of villages) to strike both the current provisions regarding compensation of village officers and the prohibition on village officers receiving other compensation for services performed for the village during their term of office. Instead, compensation for official work done by village presidents and trustees would be set by village ordinance, which would specify the manner and method that compensation would be due and payable.

MCL 64.21

FISCAL IMPLICATIONS:

Fiscal information is not available.

ARGUMENTS:

For:

The current restrictions on how village trustees can be paid do not reflect the realities of the work done by trustees serving the approximately 100 general law villages in the state. Not only can these restrictions actually provide a disincentive for people to run for the office of village trustee, sometimes the restrictions also can have a negative impact on the conduct of village government by discouraging special village meetings. With compensation for village presidents and other trustees based solely on meetings attended, some villages have set these "per diem" meeting payments as high as \$300 a meeting to compensate these officials for the time they must spend during the week working on village issues, such as personnel, economic development, and so forth. Not only does this method of compensation not take into account all of the time village trustees must spend on village business outside actual meetings, it also makes it very expensive to schedule special village meetings. Village clerks and treasurers may accept flat rates of pay for their positions, and it is only fair to allow villages to decide how best to compensate their trustees.

POSITIONS:

The Michigan Municipal League supports the bill as amended by the Towns and Counties Committee. (5-4-89)

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