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Senate Joint Resolution D (Substitute S-3 as passed by the Senate)
Sponsor: Senator Thaddeus G. McCotter
Committee: Government Operations

Date Completed: 2-6-01

CONTENT

The joint resolution proposes an amendment to Article IV, Section 12 of the State Constitution to provide that salary and expense determinations of the State Officers Compensation Commission (SOCC) would be effective only if the Legislature approved them by a concurrent resolution adopted by a majority of the members elected to and serving in each house of the Legislature. The concurrent resolution could amend the salary and expense determinations to reduce one or more of them. If approved or amended, the determinations would become effective for the legislative session immediately following the next general election.

The joint resolution would have to be submitted to the voters at the next general election, if two-thirds of the members elected to and serving in each house of the Legislature approved the resolution.

Legislative Analyst: G. Towne

BACKGROUND

Article IV, Section 12 of the Michigan Constitution created the SOCC to determine the salaries and expense allowances of members of the Legislature, the Governor, the Lieutenant Governor, and Justices of the Michigan Supreme Court. The provision was adopted by the voters in 1968 as an amendment to the Michigan Constitution of 1963. The SOCC is composed of seven members appointed by the Governor. The determinations of the SOCC become effective unless the Legislature, by concurrent resolution adopted by two-thirds of the members elected to and serving in each house of the Legislature, rejects them. The Constitution also requires the SOCC to meet every two years for no more than 15 session days.

Pursuant to Article IV, Section 12 of the Michigan Constitution, the Legislature enacted Public Act 357 of 1968. The Act assigned the SOCC to the Department of Civil Service for the purpose of administration, budgeting, procurement, and management functions. The Act also provides the following:

1. Members of the SOCC must be appointed to four-year terms and may not be reappointed.
2. The SOCC must meet for not more than 15 session days beginning after July 1 of every even-numbered year.
3. Members of the SOCC receive no compensation but are entitled to actual and necessary expenses.
4. Determinations of salaries and expense allowances must be made and filed after December 1 and before December 31 of each even-numbered year.
5. Determinations are effective January 1 of the year following their filing unless the Legislature, by a two-thirds vote of each house, rejects the entire determination or specific determinations for specific positions. (The determinations may not be modified.) The rejection must occur prior to February 1 of the year following the filing of the determinations. Existing salary and expense allowances prevail retroactive to January 1 if rejection occurs.

According to a report by the Legislative Service Bureau ("Compensation of Michigan Legislators", January 2001), 21 states have compensation commissions that recommend salary levels for legislators. In five of

those states, the commission determines the salaries without a vote of the legislature (which cannot vote to accept or reject the determinations). In nine of the states, the commission's role is advisory, that is, its recommendations must be voted on by the Legislature. In six other states (including Michigan) the commission's determinations also are advisory; however, the legislature must vote to reject the determinations or they take effect. One state (Arizona) places its commission's recommendations on the ballot for approval or disapproval by the voters.

(For further information on the recent determinations of the SOCC, and additional background information, see the Senate Fiscal Agency publication "2000 Determinations of the State Officers Compensation Commission", Notes on the Budget and Economy, November/December 2000.)

FISCAL IMPACT

The joint resolution would have no fiscal impact on State or local government.

Fiscal Analyst: B. Bowerman