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**1978 STATE BALLOT ISSUES: COLLECTIVE BARGAINING FOR STATE POLICE;  
RAISING THE DRINKING AGE TO 21; AND,  
INVESTMENT OF STATE FUNDS**

COLLECTIVE BARGAINING FOR STATE POLICE

The State Police collective bargaining proposal would amend Article XI, Section 5, of the Michigan Constitution. It was placed on the ballot by way of initiative petition and would:

- Permit State Police troopers and sergeants, through their elected representative, to bargain collectively concerning conditions of their employment including compensation, normal working conditions, retirement, pensions, and other matters, but excluding hiring and promotion.
- Grant State Police the right, 30 days after commencement of such bargaining, to submit any unresolved disputes to binding arbitration.

In Michigan, the Civil Service Commission is constitutionally responsible for fixing rates of employee compensation, regulating the conditions of employment, and administering competitive examinations as a basis for selecting individuals for employment or promotion in the classified service. Any changes in rates of pay approved by the Civil Service Commission may be rejected or reduced by the Legislature (on the basis of a two-thirds vote of those elected to and serving in each House) as long as such action applies uniformly to all classes of employees. This ballot proposal would amend the constitution to make wage settlements and the terms and conditions of employment a negotiable item in a collective bargaining process for the 1,800 State Police troopers, sergeants and detectives in the state classified service. Issues related to hiring and promotions would not be open to negotiation. These functions would be administered by the Civil Service Commission through competitive examination as is presently done.

Current Practices

Currently, the State Police—like other state classified employees—have the right to be represented exclusively by an employee organization elected by the majority of employees in the appropriate unit. A recognized employee organization such as the Michigan State Police Troopers Association has the right to participate in formalized annual discussions on wage and fringe benefit adjustments. It may represent employees in grievance procedures, “meet and confer” with the state employer regarding conditions of employment and, once exclusively recognized, may enter into memoranda of understanding with the employer relating to conditions of employment. If such memoranda of

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understanding require Civil Service Commission or legislative approval, the agreement will not become effective until approval is acquired.

Civil Service Commission policy provides for the establishment of a three-member Compensation Hearing Panel which conducts “evidentiary type hearings” and presents the commission with proposals for changes in pay rates or other economic benefits. The commission holds a public hearing and may accept, reject, or modify the panel’s recommendations when exercising its constitutional responsibility of fixing rates of compensation.

### Content of the Ballot Proposal

The proposal would vastly change the process by which the compensation for State Police is fixed, though other classes of State employees would not be affected. Whereas the Civil Service Commission presently has the constitutional authority to make a virtually unilateral decision on this issue (after the employer and employee organizations have been consulted), this proposal might preempt input from the commission. Instead, the bargaining unit representing the State Police would negotiate directly with the state employer in an attempt to arrive at a contract relative to items such as wages, hours, working conditions, and retirement. If a settlement is not reached on these issues within 30 days, the issues could be submitted to compulsory binding arbitration on the initiative of the State Police.

There are at least two matters in which there is no specific language in the proposal and in which there is a difference of opinion as to application. First, it is unclear who would represent the state employer, e.g., the Governor’s Office, the Civil Service Commission, or the Office of the State Employer (in the Department of Management and Budget). Second, it is not certain whether this amendment would preclude legislative input in the process, i.e., would this provision supersede all present constitutional provisions affecting the setting of State Police compensation including the option of the Legislature to reject or reduce increases in bargained rates?

### The Respective Positions

Those opposed to the amendment argue that: (1) it would force the State to relinquish some of its sovereign authority in the area of employee relations with regard to the State Police; (2) collective bargaining generally gives too much power to the employee organizations; (3) because these organizations tend to protect the interest of the membership they are less concerned about the public interest; (4) the Civil Service Commission is in a position to adequately balance the demands and requirements of State employees with the broader interests of the society at large; and, (5) collective bargaining should not be given to State Police exclusively, but rather should either be extended to all employees or all employees should remain under the present Civil Service provisions.

Supporters of the ballot proposition argue for it on the grounds of “self-determination,” “equity,” and “flexibility.” It is suggested that collective bargaining would give the State Police a greater degree of self-determination by opening certain issue areas to collective bargaining. It is argued that the

requirements of a bargained agreement, and binding arbitration in the event of an impasse, could give the State Police better access to management and thereby improve morale.

Proponents argue that since Michigan statutes provide collective bargaining for local government employees and compulsory binding arbitration for local police and firefighters, it would be equitable to extend these same prerogatives to State troopers and sergeants. It is often argued that it is ironic that the State extends collective bargaining rights to local government employees but not to its own employees—including State Police.

In justification of creating an exclusive personnel management status for State Police alone among all State employees, supporters of the proposal argue that the duties of the State Police are vastly different from other State employees because of the hazards of the job and because they carry a gun during private hours and may be called to duty at any point in the day. Therefore, they should not be “lumped in” with other State employees.

### RAISING THE DRINKING AGE TO 21

This proposal would amend Article IV, Section 40, of the Michigan Constitution, It was placed on the ballot by way of initiative petition and would:

- Prohibit selling or giving any alcoholic beverage to any person who has not reached the age of 21 years.
- Bar a person who has not reached the age of 21 years from possessing any alcoholic beverage for the purpose of personal consumption.

On January 1, 1972, the legal drinking age in Michigan was lowered from age 21 to 18 as a result of the “Age of Majority” legislation (P.A. 79 of 1971) enacted in 1971. If approved, the proposed amendment would make it unlawful for an individual under 21 to possess any alcoholic beverage or for anyone to sell or give an alcoholic beverage to such an individual.

Due partly to the concern over alcohol-related problems in schools and over highway traffic data depicting a rise in alcohol-related accidents among youth, the Legislature, in P.A. 92 and 94 of 1978, enacted statutes which will raise the drinking age to 19 for a three-year trial period effective December 3, 1978. On that date, Michigan will be one of nine states that have set the drinking age at 19. According to the Michigan Council on Alcohol Problems, 16 states have set the drinking age at 18 and two states at age 20. The remaining 23 states have set the drinking age at 21, however, six of these permit beer consumption at age 18, three permit consumption of beer and wine at age 18, and one permits consumption of beer and wine at age 19.

### INVESTMENT OF STATE FUNDS

This proposal would amend Article IX, Sections 19 and 20, of the Michigan Constitution. It was placed on the ballot by the Legislature and would:

- Authorize the deposit of State funds in savings and loan associations and credit unions organized under Federal or State law as well as in banks so organized.
- Change the limit on deposits in any one institution from 50 percent of “capital and surplus” to 50 percent of “net worth.”

The present constitution implicitly provides that the State may not deposit its funds in savings and loan associations or credit unions, but only in state or nationally chartered banks. Neither may the State invest in the stock of any company, association or corporation except that pension funds and charitable or educational endowment funds may be invested as provided by law. The amount of State funds that currently may be deposited in a bank is limited to 50 percent of the “capital and surplus” of that bank.

This proposal would amend the constitution to permit the State to deposit funds in or invest in the accounts of savings and loan associations and credit unions as well as chartered banks. Rather than using “capital and surplus” exclusively as the basis for limiting State deposits in such financial institutions, the limit would be 50 percent of the “net worth” of a bank, savings and loan association, or credit union. Although net worth is not defined in the proposal, it is generally considered to be the excess of assets over liabilities. The elements of net worth vary by type of financial institution.