# COMPENSATION OF MICHIGAN LEGISLATORS

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# COMPENSATION OF MICHIGAN LEGISLATORS

On January 31, 1991, the Michigan House of Representatives, on a voice vote, overwhelmingly rejected the pay increases for the state's top elected officials which had been recommended by the State Officers Compensation Commission (SOCC). Earlier that month, the Senate had also rejected the proposed increases by a vote of 34 to 0. This bicameral rejection marked the first time in the history of the SOCC that both legislative bodies had voted on the proposed pay raises and consequently, the first time that the increases had been rejected. The main argument given by legislators from both parties for rejecting the pay increases was that although they felt a cost of living increase was warranted, they could not vote for it while public and private sector workers faced layoffs and state social services coped with deep program cuts.[1]

In December 2000, the SOCC filed its determinations, which increased the Governor's salary by 13.7 percent to $172,000; the Lieutenant Governor's salary by 19.6 percent to $120,400; the Supreme Court by 13.6 percent to $159,960; and the members of the Legislature by 35.8 percent to $77,400. All state officers received second year increases of 2.9 percent. When deliberating the Governor's recommended salary, the SOCC considered not only the responsibilities of the office, but also the relationship of his salary to the salaries of the Mayor of Detroit ($176,176), the Wayne County Executive ($146,707) and the Oakland County Executive ($139,221), the six major public university presidents (in excess of $200,000), the State Superintendent of Public Instruction ($145,000), and top private sector executives (estimates between $450,000 and $1.3 million).[2] The pay of the other officeholders was based on the following percentage of the Governor's salary: Lieutenant Governor, 70 percent; Supreme Court Justice, 93 percent; Legislator, 45 percent.

Whereas the House voted to reject the determination, the Senate chose not to vote. Consequently, the salary and expense allowance increases went into effect, retroactive to January 1, 2001. Over the ensuing year, the Legislature proposed numerous joint resolutions to deal with the perceived failings of the compensation procedure. Some of the perceived failings included:

- The Legislature is not required to vote on SOCC determinations.
- SOCC determinations go into effect automatically unless the Legislature rejects them.
- SOCC determinations go into effect almost immediately. As a result, newly elected legislators complained about having to cast their first vote on their current compensation level.
- The Legislature may not amend determinations.
- SOCC members are gubernatorial appointees with no statutorily defined qualifications or expertise in determining compensation.
- SOCC does not determine the compensation levels of the elective offices of the Attorney General and Secretary of State.

On December 11, 2001, the House, on a vote of 104 to 0, passed Joint Resolution E. Two days later, the Senate, on a vote of 33 to 0, passed the resolution, which will go before the general

[1] *Michigan Report*, January 24, 1992.

[2] House Legislative Analysis Section, Senate Joint Resolution D, First Analysis, March 15, 2001.

public on August 6, 2002. Sponsored by Representative Clark Bisbee, the measure addresses the above-mentioned perceived failings. If passed by voters, the joint resolution would amend the state constitution to:

- Require that the SOCC determinations to increase legislative salaries and expense allowances be approved by a majority vote of each legislative body.
- Require legislative-approved SOCC determinations to go into effect after the next general election.
- Permit the Legislature to amend the SOCC's determinations to reduce legislative compensation and reduce by the same proportion all of the elected officials' compensation subject to SOCC determinations.
- Provide that SOCC member qualifications may be determined by law.
- Add the offices of Attorney General and Secretary of State to the list of state officials whose salaries and expense allowances are to be determined by the SOCC.

## COMPENSATING ELECTED OFFICIALS

Establishing compensation rates for public officials in general, and legislators in particular, is a complex and nearly always controversial undertaking. One problem is that, with the exception of members of the United States Congress, there are few, if any, jobs comparable to that of state legislator. Another question involves determining the role, if any, legislators themselves should play in the process of establishing their own salaries. At the core of the debate is the proper balance between the philosophical idea of "citizen legislator," a person who supposedly best understands the problems of his or her constituents because citizen legislators "hold regular jobs" and "worry about paying bills," and the "professional legislator," a person who arguably better understands the practical considerations of the time and cost of serving in the Legislature. Few would dispute that the number and complexity of demands placed upon current legislators are far greater than those imposed on past members, who served at a time when the institution met once every two years between harvest time and spring planting. Nevertheless, this concept of "citizen legislator" holds sway, even though it is fraught with contradictions. This viewpoint suggests that:

- Lawmakers need not devote full time to their duties.
- Legislative offices are open to all citizens regardless of financial resources.
- There can never be any positive influence from interest groups.

This viewpoint does not take into account that:

- Public policy-making is a highly complex and technical profession.
- Legislators who spend time away from their professions and payout-of-pocket expenses for living and working in the State Capitol need to be fairly compensated.

## THE POLITICAL MODERNIZATION MOVEMENT

Undeniably, public opinion is an important consideration in addressing the legislative compensation issue.[3] There will always be a certain segment of the populace that feels all public officials are overpaid, under worked, and undeserving of a pay raise. Moreover, this segment of the general public believes that public service is a reward in itself and that the true "citizen legislator" should not be preoccupied with issues of personal gain. Others believe that politics is at times an unsavory profession and that politicians regularly profit from their influential positions. Certainly, this sentiment is not new. During the Gilded Age, the Progressive reformer Governor Hazen Pingree, in his State-of-the-State address to the 1897 Michigan Legislature, lectured:

> It unfortunately happens that in the past, at least a few of the members of both houses have occupied the dual capacity of legislators and lobbyists, being paid by the people a small salary [$3.00 per attended session day] to serve in the former capacity and being hired by the people's enemies at high salaries to serve in the other capacity.

Pingree's appeal for reform went unheeded. It would be another fifty years before the Legislature was sufficiently pressured to the point of reforming itself. In the wake of the 1940s grand jury investigation of legislative corruption, forty-one people, including a number of lawmakers, were convicted of bribery.[4] In response, the Legislature passed a law making it a felony for members to be employed by persons interested in pending bills at higher compensation than nonlegislators would receive, or to accept payment for services in connection with the passage or defeat of bills. In addition, the Legislature passed a measure requiring lobbyists to register with the Secretary of State.[5]

Further legislative compensation reform was not a priority for almost another generation. From the turn-of-the century to the 1960s, Michigan experienced a dramatic population shift from rural to urban and surrounding suburban areas. Intrastate migration posed many social, economic, and political problems for both local and state governments. As urban and suburban communities grew, so too did their social service, transportation, correctional, and public health needs. Unable to cope with these crises, local governments, whose financial resources did not keep pace with their increased responsibilities, expected relief in the form of larger financial assistance and policy expertise from the Legislature. In turn, the Legislature recognized that it was not prepared to adequately deal with these concerns, since its political structure was better suited for the mid-19th century than the latter stages of the 20th century. Consequently, in 1966 Michigan and 31 other states commissioned legislative improvement studies. One of the many areas addressed in these studies was legislative compensation. It was argued that substantial increase in legislative pay and expense allowances were necessary, reflecting the continuing expansion of legislative

[3] Jane Van Sant, "How Much are State Legislators Paid?," The Citizens Conference on State Legislators, September 1975.

[4] Robert G. Scigliano, *The Michigan One-Man Grand Jury*, Government Research Bureau, Michigan State University, 1957, 53.

[5] See 1945 PA 145 and 1947 PA 214, respectively.

responsibilities, the growing demands of legislators' time, and the emergence of legislative service as a full-time profession. There was also a concern that legislative compensation would have to be increased in order to attract more competent and talented persons. Determining what salary would be appropriate for the expanded role of legislator was the impetus for the creation of the SOCC.

## MICHIGAN LEGISLATIVE COMPENSATION DETERMINATIONS PRIOR TO THE SOCC

The following is a brief history of how compensation for legislators was determined prior to the creation of the SOCC:

### 1835 CONSTITUTION (ARTICLE IV, SECTION 18)

The compensation of legislators was to be "ascertained by law," but such compensation could never exceed $3.00 a day. In addition, no increase in compensation could take effect during the term for which members of either house were elected. It is interesting to note that an 1837 appropriation enacted by the Legislature gave both the President of the Senate (Lt. Governor) and the Speaker of the House "six dollars per day for each day's attendance during the present session."

### 1850 CONSTITUION (ARTICLE IV, SECTION 15)

At the constitutional convention, a motion to reduce the maximum per diem to $2.00 was defeated, and 1 delegate suggested that men of higher caliber would seek office if there were no pay at all. Compensation was ultimately fixed at $3.00 a day for actual attendance and when absent on account of sickness for the first 60 days of the 1851 session and for the first 40 days for subsequent sessions. A provision entitling legislators to a travel allowance of 10 cents for every mile actually traveled was also enacted.

### 1860 AMENDMENT TO THE 1850 CONSTIUTION (ARTICLE IV, SECTION 15)

In 1860, voters ratified an amendment to the 1850 Constitution that, in part, permitted the Legislature to allow extra compensation to members from the Upper Peninsula "not exceeding 2 dollars per day during session." This was recognition of the fact that U.P. legislators were particularly burdened with attending session in Lansing. With no rail line spanning the Straits of Mackinac, legislators either had to arrange passage on a Detroit-bound vessel and then travel to Lansing or trek southward to Green Bay, Wisconsin, the nearest railroad station, and board a train to Lansing via Chicago and Detroit. Six months later, they would have to coordinate the return trip.

### PROPOSED 1867 CONSTITUTION

Under this proposed constitution, legislative compensation would have been fixed at $4.00 a day for actual attendance. However, the voters rejected this constitution by a vote of 110,582 to 71,733.

## PROPOSED 1873 CONSTITUTION

Under this proposed constitution, legislative compensation also would have been fixed at $4.00 a day for actual attendance. However, the voters rejected this constitution by a vote of 124,034 to 39,285.

## PROPOSED 1884 AMENDMENT

Under this proposed amendment, legislative compensation would have been established at $700 dollars for each regular session and an additional 100 dollars for an extra session. Further, it would have prohibited legislators from accepting free railroad passes during their term of office. At this time, it was common practice for railroad companies to issue free passes to legislators, ministers, editors, major shippers, or anyone else who could be of assistance to the industry. This proposed amendment the voters rejected amendment by a vote of 341,693 to 52,707.

## PROPOSED 1901 AMENDMENT

Under this proposed amendment, legislative compensation would have been established at $1,000 per session. The voters rejected this proposed measure by a vote of 187,615 to 112,883.

## 1908 CONSTITUTION

Legislative compensation was one of the most debated issues during the Constitutional Convention of 1907-1908. Although there was a general consensus that $3.00 a day was inadequate, there was little agreement on how much of a raise should be provided. U.P. delegates were especially anxious to maintain a higher stipend pointing out that under the old system of permitting the Legislature to appropriate additional compensation, they were sometimes coerced into supporting legislation favored by Lower Peninsula members that they would otherwise not support. The supplemental pay provision for U.P. legislators was ultimately dropped and compensation was set at $800 per term and $5.00 a day for the first 20 days of an extra session "and nothing thereafter."

## PROPOSED 1926 AMENDMENT

Under this proposed amendment, legislative compensation would have been raised to $1,200 for the term with an additional $10 a day for the first 20 days of an extra session. The voters rejected the amendment by a vote of 279,241 to 189,739.

## 1928 AMENDMENT

This amendment raised legislative compensation from $1,000 per term ($3.00 per day) to $2,190 per term. The voters approved the amendment by a vote of 441,114 to 417,419.

## ADVANCE PAY

In 1935, the Legislature voted to permit certain members to draw in advance on their per day salary up to $50 a week for a maximum of 20 weeks while the Legislature was in session. This action was an effort to defray the growing personal expenses members were confronted with while staying in Lansing. Two years later, the Michigan House approved a measure giving members $6.00 a day in expenses, but Attorney General Raymond Starr ruled that the Legislature could not authorize the payment to its members. In 1943, Attorney General Herbert Rushton issued an opinion that stopped the practice of drawing advance pay.

## PROPOSED 1944 AMENDMENT

Under this proposed amendment, legislative compensation would have been set at $3,650 ($5.00 per day) and would have prohibited other forms of compensation other than mileage. The voters defeated the amendment by a vote of 803,104 to 614,300.

## 1948 AMENDMENT

Voters overwhelmingly (911,473 to 587,691) approved an amendment that removed any limit or actual salary figure from the constitution. Under this provision, which was maintained with slight modification in the 1963 Constitution, the following salary increases were enacted by the Legislature:

| Years | Salary | Expense Allowance |
|---|---|---|
| 1948-52 | $ 2,400 | $ 500 |
| 1953-54 | 2,900 | 1,000 |
| 1955-60 | 4,000 | 1,000 |
| 1961-62 | 5,000 | 1,000 |
| 1963-64 | 7,000 | 1,250 |
| 1965-66 | 10,000 | 2,500 |
| 1967-68 | 12,500 | 2,500 |

## ORIGINS OF THE STATE OFFICERS COMPENSATION COMMISSION

From 1854, when the Grand Old Party was organized in Jackson, until 1932, Michigan was the “citadel of Republicanism.”[6] For this entire 78-year period, the Republican Party dominated both the governorship and the Legislature. Beginning in 1932, the political environment was less stable as the Democratic and Republican parties alternated in winning the governorship each term for a decade. The resulting wholesale turnover in many governmental positions exposed the weaknesses and inefficiencies of the traditional spoils system, or political patronage, whereby jobs were awarded not on the basis of merit, but solely on political expediency. As a result, Michigan adopted a civil service system for state employees. The notion of an independent body setting salaries for the state’s top elected officials has its origins in this civil service concept.

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[6] Willis Dunbar, *Michigan, A History of the Wolverine State*, (Grand Rapids: Eerdmans Publishing Co., 1980), 445.

In 1965, the Senate adopted Senate Resolution 135, which called for the appointment of a special commission to study the salaries of the state's top elected officials and propose recommendations. The Special Commission on Legislative Compensation, comprised of individuals from the private sector, issued its report on April 18, 1966. In its introductory observations, the commission noted:

> Public and political furor over legislative compensation dictated a new approach to the subject in Michigan where, as in most other states, the Legislature is a large and unwieldy body subject to the processes and procedures of the past which are no longer adequate to deal with the problems of a complex society.

The commission also recognized that the Legislature was not modernizing the manner in which it responded to a vastly increased workload brought about by the profound effects of urbanization and suburbanization. Moreover, the commission found that although the position of legislator was a full-time responsibility, the members should not be paid a full-time salary because they had other employment or income. Nevertheless, the commission recommended a $5,000 increase in salary (from $10,000 to $15,000) for 1967, predicated on efforts to modernize the organization and procedures of the elected bodies. Governor George Romney rejected the commission's recommendation and indicated that he was willing to support a $2,500 pay increase as long as the Legislature enacted meaningful conflict-of-interest legislation. In response, the Legislature voted to increase its pay and passed 1966 PA 317, which in part prohibited "lawyer-legislators" from practicing before state agencies.

In the court of public opinion, the increase in legislative compensation was met with widespread concern, which prodded legislators to find a better way to address the issue. To that end, several measures were introduced in 1968. House Joint Resolution UU would have amended the constitution to provide that the Civil Service Commission should determine the salaries and expenses of legislators, but the resolution was never reported out of committee. House Joint Resolution AAA proposed to amend the constitution to create the State Officers Compensation Commission (SOCC). This measure, which became Ballot Proposal 2, was passed by the required 2/3 vote in each house and was submitted to the electorate at the August 6, 1968 primary election.

Typically, August primary elections do not attract public attention, particularly in nongubernatorial election years. This late summer election was further eclipsed by several occurrences, such as the assassinations of Martin Luther King, Jr. and United States Senator Robert Kennedy, civil unrest in several major U.S. cities, rising tensions between the Soviet Union and Czechoslovakia, the escalating Vietnam War, and the red hot Detroit Tigers vying for the American League Pennant. In addition, the two principal Detroit daily newspapers were in the midst of a protracted strike that was not resolved until after the primary. Whether or not these historic events affected voter turnout is speculative, but the ballot measure passed by a vote of 417,393 to 346,839 (54.6 percent to 45.4 percent). Afterward, the Legislature enacted 1968 PA 357 (House Bill No. 3775), which set forth the powers and duties of the SOCC.

## HOW THE SOCC WORKS

The SOCC was given the responsibility of determining the salaries and expense allowances of the members of the Legislature, the Governor, the Lieutenant Governor, and the Michigan Supreme Court Justices. The commission consists of 7 members appointed by the Governor and meets every 2 years for no more than 15 session days. The biennial meetings are convened after July 1 of every even-numbered year, and the commission files its determinations with the Clerk of the House of Representatives, the Secretary of the Senate, and the Director of the Department of Management and Budget after December 1 and before December 31. Copies of these determinations are also furnished to the respective officeholders.

Pursuant to the law, unless rejected by a two-thirds vote of the members elected to and serving in each house of the Legislature prior to February 1 of the year following the filing of the SOCC's determinations, those determinations become the compensation and expense allowances of the affected state officers on January 1. The Legislature may only reject the entire determination or specific determinations for specific positions. It may not modify the recommendations. If the Legislature rejects the determinations, as was the case in 1991, the existing salary and expense allowances prevail retroactive to January 1 of the year they were rejected.

## SOCC DETERMINATION CRITERIA

The following criteria have been developed and used by the commission in making determinations for salaries and expense allowances for the respective elective offices:

- Level of inflationary adjustments in previous years.
- Impact of term limits.
- Attracting and retaining the required caliber of individuals.
- Comparison of salaries and benefits with similar positions in other states.
- Comparison of salaries and benefits with positions of similar responsibility in the private sector.
- Public sentiment concerning expenditure limitations and tax reduction.
- Public sentiment expressed by public hearing attendance and by correspondence received.
- The current and forecasted financial condition of the state economy and state government.
- The cost-of-living.

In addition, pursuant to various Michigan Attorney General Letter Opinions and a Michigan Court of Appeals ruling (57 Mich App. 255), the commission can:

- Consider the value of benefits as related to total compensation.
- Consider the availability of an auto or other perquisites in considering the need for expense allowances.
- Determine supplemental salaries for legislative positions.
- Set two different salary levels—one for each of the 2 years in the determination cycle.

Conversely, the commission cannot:

- Determine staff expenses.
- Change insurance benefits or alter pension plan provisions.
- Affect auto or aircraft availability.
- Alter hours of service or other employment conditions.

## LEGISLATIVE COMPENSATION COMMISSIONS IN OTHER STATES

As of 1999, 21 states used compensation commissions to provide an objective evaluation of legislators' salary levels. One of the most important aspects of the commission is their level of authority.[7]

### ADVISORY ROLE

In the following states, the commissions play a purely advisory role. Their recommendations are presented to the Legislature and the members are put in the position of voting on their own pay:

Alabama (*Code of Alabama*, Chapter 29-1-40 to 29-1-44)
Connecticut (*Connecticut General Statutes*, Section 2-9a)
Iowa (*Iowa Code*, Chapter 2A.1 to 2A.5)
Kentucky (*Kentucky Revised Statutes*, Chapter 6.226 to 6.229)
Maine (*Maine Revised Statutes*, Title 3-1-2B)
Minnesota (*Minnesota Statutes*, 15A.082)
New Jersey (*New Jersey State Constitution 1947*, Article IV, Section IV; *New Jersey Permanent Statutes*,Title 52:14-15.115)
North Dakota (*North Dakota Century Code*, Section 54-03-19.1 to 54-03-20)
West Virginia (*West Virginia Constitution*, Article 6, Section 33)

In the following states, as in Michigan, the commissions also play an advisory role. However, the Legislatures have to vote against them or else the recommendations go into effect automatically:

Delaware (*Laws of Delaware*, Title 33-3301-3304)
Hawaii (*Hawaii Constitution*, Article III, Section 9)
Illinois (*Illinois Compiled Statutes*, Chapter 25 120/1 to 120/6)
Maryland (*Constitution of Maryland*, Article III, Section 15)
Utah (*Utah Code*, Title 36-2-2 to 36-2-3)

### COMPLETE CONTROL

In the following states the compensation commissions have complete control in determining legislative salaries:

Alaska (*Alaska Statutes*, Chapter 39.23.010 to 39.23.400)
California (*California Constitution*, Article 3, Section 8)

[7] National Conference of State Legislatures, *Compensation Commissions*, November/December 1999.

Oklahoma (*Oklahoma Constitution*, Section V-21; *Oklahoma Statutes*, Chapter 74-291.2)
Washington (*Revised Code of Washington*, Chapter 43.03.010 to 43.03.310)
Idaho (*Idaho Code*, Title 67-406a)

**BALLOT PROPOSAL**

Arizona (*Arizona Revised Statutes*, Title 41-1901 to 41-1904) is the only state that places the compensation commission's recommendation on the ballot for a vote of the people.

## FISCAL IMPACT

According to the House Fiscal Agency, the total fiscal impact of the 2000 SOCC determinations is as follows:

| Office | Salary Increase | Supplemental Salary Increase | Expense Allowance Increase | Total |
|---|---|---|---|---|
| FY 2000-01 | | | | |
| Governor | $13,200 | N/A | $7,500 | $20,700 |
| Lt. Governor | $13,300 | N/A | $3,800 | $17,100 |
| Legislature: | | | | |
| House | $1,578,700 | $6,600 | $165,000 | $1,750,300 |
| Senate | $ 544,200 | $7,500 | $ 57,000 | $ 608,700 |
| Total | | | | $2,396,800 |
| FY 2001-02 | | | | |
| Governor | $7,900 | N/A | $2,500 | $10,400 |
| Lt. Governor | $6,700 | N/A | $1,200 | $ 7,900 |
| Legislature: | | | | |
| House | $661,900 | $1,900 | $55,000 | $718,800 |
| Senate | $228,200 | $2,200 | $19,000 | $249,400 |
| Total | | | | $986,500 |

When including the SOCC determinations on judicial salaries, which consists of the Supreme Court, Court of Appeals, Circuit Court, Probate Court, and District Court, the total fiscal impact for FY 2000-2001 is $8,070,300 GF/GP and $4,820,900 GF/GP for 2001-2002.[8]

[8] House Fiscal Agency, *State Officers Compensation Commission*, December 2000, 17-18.

## LEGISLATIVE SALARIES VS. CONSUMER PRICE INDEX

According to the Senate Fiscal Agency, SOCC determinations from 1969 to 2000 have not kept pace with overall inflation rates. For example, over this time frame, the Detroit Consumer Price Index has increased 356.2 percent, while legislator pay has increased only 279.9 percent. The following table examines the percentage of change of selected salaries.

### PERCENTAGE CHANGE IN SELECTED SALARIES COMPARING 1969 TO 2000

| SOCC | PERCENTAGE CHANGE |
|---|---|
| GOVERNOR | 278.1 % |
| LT. GOVERNOR | 347.4 |
| SUPREME COURT JUSTICES | 302.3 |
| LEGISLATORS | 279.9 |
| **OTHER ELECTED OFFICIALS** | |
| ATTORNEY GENERAL* | 316.3 |
| SECRETARY OF STATE* | 316.3 |
| MAYOR OF DETROIT | 402.8 |
| **CIVIL SERVICE POSITIONS** | |
| ENTRY LEVEL ATTORNEY | 375.4 |
| ENTRY LEVEL ELECTRICIAN | 380.0 |
| **NATIONAL AVERAGE HOURLY EARNINGS**** | |
| MOTOR VEHICLES/EQUIPMENT MANUFACTURING | 376.1 |
| DEPARTMENT STORES | 300.8 |
| **CONSUMER PRICE INDICES***** | |
| DETROIT CPI | 356.2 |
| U.S. CPI | 369.2 |

Source: Senate Fiscal Agency, *Notes on the Budget and Economy*, "2000 Determinations of the State Officers Compensation Commission," (November/December 2000) 7-8.
*Salary set by Legislature once every 4 years pursuant to Article V, Section 23 of the Michigan Constitution
** U.S. Department of Labor, Bureau of Labor Statistics
***CPI is based on SFA estimate for 2000

| HISTORY OF SOCC SALARY AND EXPENSE ALLOWANCE RECOMMENDATIONS | | | | | | | |
|---|---|---|---|---|---|---|---|
| | LEGISLATORS | | | SURPREME COURT JUSTICES | | | |
| | **SALARY** | **EXPENSE ALLOWANCE** | **PERCENTAGE INCREASE OVER PREVIOUS ACTUAL SALARY** | **SALARY** | **EXPENSE ALLOWANCE for JUSTICES** | **EXPENSE ALLOWANCE for CHIEF JUSTICE** | **PERCENTAGE INCREASE OVER PREVIOUS ACTUAL SALARY** |
| 1969 | $ 15,000 | $ 3,000 | 20.0 | 35,000 | N/A | N/A | N/A |
| 1970 | 15,000 | 3,000 | 0 | 35,000 | N/A | N/A | 0 |
| 1971 | 17,000 | 2,750 | 13.3 | 42,000 | N/A | N/A | 20.0 |
| 1972 | 17,000 | 2,750 | 0 | 42,000 | N/A | N/A | 0 |
| 1973 | 17,000 | 2,875 | 0 | 42,000 | $1,500 | N/A | 0 |
| 1974 | 17,000 | 3,000 | 0 | 42,000 | 1,500 | N/A | 0 |
| 1975 | 19,000 | 3,300 | 11.8 | 43,500 | 1,500 | N/A | 3.6 |
| 1976 | 19,000 | 3,500 | 0 | 43,500 | 1,500 | N/A | 0 |
| 1977 | 22,500 | 4,250 | 11.4 | 50,000 | 1,500 | N/A | 14.9 |
| 1978 | 24,000 | 4,600 | 6.7 | 53,000 | 1,500 | N/A | 6.0 |
| 1979 | 25,500 | 4,900 | 6.3 | 56,000 | 1,500 | $3,000 | 5.7 |
| 1980 | 27,000 | 5,200 | 5.9 | 60,500 | 1,500 | 4,500 | 8.0 |
| 1981 | 27,000 | 5,200 | 0 | 60,500 | 1,500 | 4,500 | 0 |
| 1982 | 31,000 | 6,200 | 14.8 | 69,000 | 2,000 | 5,000 | 14.0 |
| 1983 | 31,000 | 6,200 | 0 | 69,000 | 2,000 | 5,000 | 0 |
| 1984 | 33,200 | 6,700 | 7.1 | 74,000 | 2,000 | 5,000 | 7.2 |
| 1985 | 34,860 | 6,700 | 5.0 | 77,700 | 2,000 | 5,000 | 5.0 |
| 1986 | 36,520 | 6,700 | 4.8 | 81,400 | 2,000 | N/A | 4.8 |
| 1987 | 38,163 | 7,700 | 4.5 | 94,000 | N/A | N/A | 15.5 |
| 1988 | 39,881 | 7,700 | 4.5 | 100,000 | N/A | N/A | 6.4 |
| 1989 | 42,670 | 8,100 | 7.0 | 103,500 | N/A | N/A | 3.5 |
| 1990 | 45,450 | 8,500 | 6.5 | 106,610 | N/A | N/A | 3.0 |
| 1991 | 47,287* | 8,925* | **REJECTED** | 109,958* | N/A | N/A | **REJECTED** |
| 1992 | 52,800* | 9,350* | **REJECTED** | 120,000* | N/A | N/A | **REJECTED** |
| 1993 | 45,450 | 8,500 | 0 | 106,610 | N/A | N/A | 0 |
| 1994 | 47,722 | 8,925 | 5.0 | 111,940 | N/A | N/A | 5.0 |
| 1995 | 49,155 | 8,925 | 3.0 | 115,299 | N/A | N/A | 3.0 |
| 1996 | 50,629 | 8,925 | 3.1 | 118,758 | N/A | N/A | 3.0 |
| 1997 | 51,895 | 8,925 | 2.5 | 121,727 | N/A | N/A | 2.5 |
| 1998 | 53,192 | 8,925 | 2.5 | 124,770 | N/A | N/A | 2.5 |
| 1999 | 55,054 | 10,000 | 3.5 | 134,752 | N/A | N/A | 8.0 |
| 2000 | 56,981 | 10,000 | 3.5 | 140,816 | N/A | N/A | 4.5 |
| 2001 | 77,400 | 12,000 | 35.8 | 159,960 | N/A | N/A | 13.6 |
| 2002 | 79,650 | 12,000 | 2.9 | 164,610 | N/A | N/A | 2.9 |

* These salaries and expense allowances were rejected by the Legislature in 1991. The actual salary and expense allowance for 1991 and 1992 are the same as shown for 1990.

## *HISTORY OF SOCC SALARY AND EXPENSE ALLOWANCE RECOMMENDATIONS*

| | GOVERNOR | | | LIEUTENANT GOVERNOR | | |
|---|---|---|---|---|---|---|
| | **SALARY** | **EXPENSE ALLOWANCE** | **PERCENTAGE INCREASE OVER PREVIOUS ACTUAL SALARY** | **SALARY** | **EXPENSE ALLOWANCE** | **PERCENTAGE INCREASE OVER PREVIOUS ACTUAL SALARY** |
| 1969 | $ 40,000 | $ 15,000 | --- | $ | $ 3,000 | --- |
| 1970 | 40,000 | 15,000 | 0 | 22,000 | 3,000 | 0 |
| 1971 | 45,000 | 15,000 | 12.5 | 25,000 | 3,000 | 13.6 |
| 1972 | 45,000 | 15,000 | 0 | 25,000 | 3,000 | 0 |
| 1973 | 45,000 | 15,000 | 0 | 25,000 | 3,000 | 0 |
| 1974 | 45,000 | 15,000 | 0 | 25,000 | 3,000 | 0 |
| 1975 | 47,250 | 18,000 | 5.0 | 27,500 | 3,500 | 10.0 |
| 1976 | 47,250 | 18,000 | 0 | 27,500 | 3,500 | 0 |
| 1977 | 55,000 | 18,000 | 16.4 | 38,000 | 4,250 | 38.2 |
| 1978 | 58,000 | 18,000 | 5.5 | 40,000 | 4,600 | 5.3 |
| 1979 | 61,500 | 18,000 | 6.0 | 42,500 | 4,950 | 6.3 |
| 1980 | 65,000 | 18,000 | 5.7 | 45,000 | 5,200 | 5.9 |
| 1981 | 65,000 | 18,000 | 0 | 45,000 | 5,200 | 0 |
| 1982 | 70,000 | 20,000 | 7.7 | 50,000 | 7,000 | 11.1 |
| 1983 | 70,000 | 20,000 | 0 | 50,000 | 7,000 | 0 |
| 1984 | 78,000 | 20,000 | 11.4 | 53,500 | 7,000 | 7.0 |
| 1985 | 81,900 | 20,000 | 5.0 | 56,175 | 7,000 | 5.0 |
| 1986 | 85,800 | 20,000 | 4.8 | 58,850 | 7,000 | 4.8 |
| 1987 | 92,664 | 30,000 | 8.0 | 62,970 | 7,000 | 7.0 |
| 1988 | 100,077 | 30,000 | 8.0 | 67,377 | 7,000 | 7.0 |
| 1989 | 103,580 | 30,000 | 3.5 | 80,300 | 9,000 | 19.2 |
| 1990 | 106,690 | 30,000 | 3.0 | 80,300 | 9,000 | 0 |
| 1991 | 110,143* | 30,000 | **REJECTED** | 81,000* | 9,000 | **REJECTED** |
| 1992 | 120,500* | 30,000 | **REJECTED** | 83,100* | 9,000 | **REJECTED** |
| 1993 | 106,690 | 30,000 | 0 | 80,300 | 9,000 | 0 |
| 1994 | 112,024 | 30,000 | 5.0 | 84,315 | 9,000 | 5.0 |
| 1995 | 116,506 | 30,000 | 4.0 | 86,844 | 9,000 | 3.0 |
| 1996 | 121,166 | 30,000 | 4.0 | 89,450 | 9,000 | 3.0 |
| 1997 | 124,195 | 40,000 | 2.5 | 91,686 | 12,000 | 2.5 |
| 1998 | 127,300 | 40,000 | 2.5 | 93,978 | 12,000 | 2.5 |
| 1999 | 138,757 | 50,000 | 9.0 | 97,267 | 15,000 | 3.5 |
| 2000 | 151,245 | 50,000 | 9.0 | 100,671 | 15,000 | 3.5 |
| 2001 | 172,000 | 60,000 | 13.7 | 120,400 | 20,000 | 19.6 |
| 2002 | 177,000 | 60,000 | 2.9 | 123,900 | 20,000 | 2.9 |

* These salaries and expense allowances were rejected by the Legislature in 1991. The actual salary and expense allowance for 1991 and 1992 are the same as shown for 1990.

## SUPPLEMENTAL SALARIES

Michigan is one of forty-three states that pay supplemental salaries to the presiding officers and majority and minority leaders in the House and Senate. In the 2001 fiscal year, supplemental salaries in Michigan are as follows:

| | |
|---|---|
| Speaker of the House | $27,000 |
| Senate Majority Leader | $26,000 |
| House and Senate Majority Floor Leaders | $12,000 |
| House and Senate Minority Floor Leaders | $10,000 |
| House and Senate Appropriations Committee Chairs | $ 7,000 |
| House Speaker Pro Tempore and Senate President Tempore | $ 5,513 |

## HISTORY OF SUPPLEMENTAL SALARIES IN THE MICHIGAN LEGISLATURE

| | Speaker of the House | Senate Majority Leader | Senate & House Minority Leaders | Senate & House Appropriation Committee Chairpersons | Senate & House Majority Floor Leaders | Senate & House Minority Floor Leaders | Senate & House Judiciary Committee Chairpersons | Speaker Pro Tempore of House & President Pro Tempore of Senate |
|---|---|---|---|---|---|---|---|---|
| 1969-77 | $5,000 | | | | | | | |
| 1978 | 5,000 | $5,000 | $3,000 | | | | | |
| 1979 | 9,000 | 8,000 | 4,800 | | | | | |
| 1980 | 13,000 | 11,000 | 6,000 | | | | | |
| 1981 | 13,000 | 11,000 | 6,600 | | | | | |
| 1982 | 16,000 | 14,000 | 8,000 | $1,000 | | | | |
| 1983 | 16,000 | 14,000 | 8,000 | 1,000 | | | | |
| 1984 | 18,000 | 16,000 | 8,600 | 2,000 | | | | |
| 1985 | 18,000 | 16,000 | 14,000 | 3,000 | $7,500 | $6,000 | | |
| 1986 | 18,000 | 16,000 | 14,000 | 3,000 | 7,500 | 6,000 | | |
| 1987 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | | |
| 1988 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | | |
| 1989 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | $5,000 | |
| 1990 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | 5,000 | |
| 1991 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | 5,000 | |
| 1992 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | 5,000 | |
| 1993 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | 5,000 | $5,000 |
| 1994 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | 5,000 | 5,000 |
| 1995 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | 5,000 | 5,000 |
| 1996 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | 5,000 | 5,000 |
| 1997 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | None | 5,000 |
| 1998 | 23,000 | 21,000 | 17,000 | 5,000 | 10,000 | 8,000 | None | 5,000 |
| 1999 | 24,150 | 22,050 | 17,850 | 5,250 | 10,500 | 8,400 | None | 5,250 |
| 2000 | 25,358 | 23,153 | 18,743 | 5,513 | 11,025 | 8,820 | None | 5,513 |

In addition, each legislator may claim reimbursement for miles driven within the home district in the conduct of official legislative business. Such miles are reimbursable at rates set by the State Standardized Travel Regulation, which is presently 32.5 cents per mile.

## ELECTED AND APPOINTED DEPARTMENT HEAD SALARIES

Salaries for the elected department heads -- Secretary of State and Attorney General -- are set by the Legislature for their four-year terms. The salaries for the appointed department heads are determined annually. The salary for the Director of the Department of Military Affairs is based on U.S. military pay tables.

| **Elected Department Heads** | **2001 Salary*** |
|---|---|
| Attorney General | 124,900 |
| Secretary of State | 124,900 |
| **Appointed Department Heads** | **2000 Salary*** |
| Agriculture | 114,000 |
| Auditor General | 117,500 |
| Civil Rights | 114,000 |
| Community Health | 118,500 |
| Consumer & Industry Services | 114,000 |
| Corrections | 118,000 |
| Education | 118,000** |
| Environmental Quality | 118,000 |
| Family Independence Agency | 118,000 |
| Management & Budget | 118,000 |
| Career Development | 117,500 |
| Military Affairs | 108,000 |
| Natural Resources | 114,000 |
| State Police | 114,000 |
| Transportation | 114,000 |
| Treasury | 153,000*** |

*Salaries are rounded to nearest dollar.

**Increased to $145,000 effective 10/01/00.

***Salary includes a stipend for additional duties performed for the Governor.

## CONCURRENT RESOLUTIONS TO REJECT SOCC DETERMINATIONS

Since its establishment, the SOCC has convened seventeen times and all of its determinations have been implemented except for its 1991 determination. In each of the years that the commission's determination went into effect, the following concurrent resolutions to reject all or part of the recommendations have been introduced. The following is a table of all concurrent resolutions introduced into the Michigan Legislature since the adoption of the SOCC:

| Session Year | Resolution No. | Intro Date | Determinations Rejected | Final Disposition |
|---|---|---|---|---|
| 1969 | SCR 7 | 1/8/69 | All | Senate Committee on Business |
| 1971 | SCR 7 | 1/14/71 | All | Senate Committee on Business |
| | HCR 7 | 1/14/71 | Legislature & Supreme Court Justices only | House Policy Committee |
| 1973 | SCR 17 | 1/30/73 | All | Senate Committee on Business |
| 1975 | HCR 21 | 1/29/75 | Legislature only | House Policy Committee |
| 1977 | HCR 7 | 1/12/77 | Legislature only | House Policy Committee |
| | SCR 11 | 1/24/77 | All | Senate Committee on Business |
| 1979 | SCR 15 | 1/11/79 | Legislature only | Senate Committee on Business |
| | HCR 19 | 1/31/79 | Legislature only | House Policy Committee |
| 1981 | SCR 24 | 1/29/81 | All | Senate Administration & Rules |
| | HCR 482 | 12/11/81 | All* | House Policy Committee |
| 1983 | HCR 19 | 1/26/83 | All | House Appropriations Committee |
| | SCR 17 | 2/1/83 | All | Defeated in Senate (voice vote) |
| 1985 | HCR 5 | 1/9/85 | All | House Appropriations Committee |
| | SCR 8 | 1/10/85 | All | Senate Committee on Business |
| 1987 | SCR 17 | 1/27/87 | All | Senate Committee on Government Operations |
| 1989 | SCR 11 | 1/31/89 | All | Senate Committee on Government Operations |
| 1991 | SCR 2 | 1/24/91 | All | Approved by the House 1/31<br>Approved by the Senate 2/24 |
| | SCR 4 | 1/24/91 | All** | Senate Committee on Government Operations |
| 1993 | SCR 1 & 2 | 2/4/93 | All | Senate Committee on Government Operations |
| | HCR 1 | 1/13/93 | All | House Oversight & Ethics Committee |
| | HCR 21 | 1/27/93 | All | Defeated in House 1/27 |
| 1995 | HCR 12 | 1/11/95 | All | Defeated in House 1/30 |
| | HCR 15 | 1/17/95 | All | House Oversight & Ethics Committee |
| 1997 | HCR 1 & 2 | 1/8/97 | All | Defeated in House 1/30 |
| 1999 | HCR 1<br>HCR 5<br>HCR 6 | 1/13/99<br><br>1/13/99 | All | Senate Committee on Government Operations<br>House Oversight and Operations Committee |
| 2001 | HCR 1<br>HCR 2<br>SCR 5 | 1/25/01<br>1/10/01<br>1/10/01 | All | Approved by House 1/25/01<br>House Oversight and Operations Committee<br>Senate Committee on Government Relations |

* Would have rejected all determinations contingent upon the enactment of HB 5227 which proposed to extend the time period for rejecting SOCC recommendations.
** Would have rejected increases for all offices scheduled to take effect in 1991.

## PROPOSALS FOR CHANGE

Over the years, there have been a number of proposals to change aspects of the SOCC report and how it is received and voted on in the Legislature. In 1995, a two-part package (HJR A and House Bill No. 4078) passed the House of Representatives but died in the Senate. The measures proposed requiring an affirmative vote on the salary increases and a change in the timetable before the deadline for filing for candidacy in an election year. The salaries of Secretary of State and Attorney General, currently set in the appropriations process, would have been set by the SOCC. The purpose of the proposed changes would have been to require sitting legislators to cast votes on their salary prior to reelection rather than having a newly constituted Legislature receive pay raises without having to record an affirmative vote on the issue. Similar packages were introduced during the 1997 and 1999 sessions, but were never reported out of the Committee on House Oversight and Ethics and the Committee on Constitutional Law and Ethics, respectively.

In 2001, the following resolutions were introduced:

**House Joint Resolution B**. Sponsored by Representative Doug Spade, the joint resolution would require the Legislature to approve any SOCC determination. In addition, any determination would not go into effect until the following general election and would include the Attorney General and the Secretary of State. The measure has been referred to the House Oversight and Operations Committee.

**House Joint Resolution D**. Sponsored by Representative Spade, the joint resolution would limit SOCC determination increases to no more than the change in the consumer price index. The measure has been referred to the House Oversight and Operations Committee.

**House Joint Resolution E.** Sponsored by Representative Bisbee, the joint resolution, which goes before the voters on August 6, 2002: requires SOCC determinations to be approved by a majority vote in each legislative body; requires legislative-approved determinations to go into effect after the next general election; permits the Legislature to amend the determinations to reduce legislative compensation and reduce by the same proportion all of the elected officials' compensation subject to SOCC determinations; provides that SOCC member qualifications may be determined by law; and adds the offices of the Attorney General and the Secretary of State to the list of state officials whose salaries and expense allowances are to be determined by the SOCC.

**House Joint Resolution I**. Sponsored by Representative Judith Scranton, the joint resolution would require a majority vote of each legislative house to approve any SOCC determination to increase compensation. The measure has been referred to the House Oversight and Operations Committee.

**House Joint Resolution J**. Sponsored by Representative Jerry Vander Roest, the joint resolution would require a majority vote of each legislative house to approve any SOCC determination to increase compensation. Also, the Legislature may amend to reduce any SOCC determination. In addition, any determination would not go into effect until the following general election and would include the Attorney General and the Secretary of State. Last, the Legislature may require that the SOCC could only meet for more than 15 session days. The measure has been referred to the House Oversight and Operations Committee.

**House Joint Resolution M**. Sponsored by Representative Mickey Mortimer, the joint resolution would limit SOCC determination increases to no more than the change in the consumer price index. The measure has been referred to the House Oversight and Operations Committee.

**House Joint Resolution O**. Sponsored by Representative Doug Hart, the joint resolution, in part, would allow SOCC determinations to include the Attorney General and the Secretary of State. It would allow commission members' qualifications to be prescribed by law. It would specify that any SOCC determination may not exceed current compensation levels by more than the average percentage increase in rates of compensation for all state classified civil service employees in the immediately preceding two calendar years. If both legislative houses passed such a determination on a record roll call vote, then said employees would receive a raise equaling the percentage increase of state officer's compensation. Further the resolution would extend term limits for state representatives to six terms and for state senators to three terms and prohibit lame duck sessions. The measure has been referred to the House Oversight and Operations Committee.

**House Joint Resolution T**. Sponsored by Representative John C. Stewart, the joint resolution would require SOCC determinations to increase compensations to be approved by a majority vote of each legislative house. Further, the measure would be submitted to voters at the next general election. The measure has been referred to the House Oversight and Operations Committee.

**Senate Joint Resolution D**. Sponsored by Senator Thaddeus G. McCotter, Senate Joint Resolution D (S-3) would have allowed SOCC determinations to become effective only if both legislative houses approved by a majority vote. The Legislature could have reduced one or more of the determinations. Also, determinations would have become effective for the legislative session immediately following the next general election. The measure passed the Senate on a vote of 34 to 0, but was amended in the House Oversight and Operations Committee (H-3). The (H-3) substitute, in part, would allow SOCC determinations to include the Attorney General and the Secretary of State. It would allow commission members' qualifications to be prescribed by law. It would specify that any SOCC determination may not exceed the total percentage increase in compensation for state classified civil service employees received by state employees in the immediately preceding two calendar years. If such a determination was proposed, then the amount equaling the increase by state employees would take effect immediately, but only after a an affirmative record roll call vote in each legislative body. The House passed (H-3) on a vote of 100 to 3. The Senate, on a vote of 19 to 15, failed to concur and the measure has been referred to a conference committee.