

**SFA**

BILL ANALYSIS

Senate Fiscal Agency

• Lansing, Michigan 48909

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Senate Bill 295 (as enrolled)

Sponsor: Senator Gilbert J. DiNello

Senate Committee: Local Government and Veterans

House Committee: Towns and Counties

Date Completed: 8-31-89

**PUBLIC ACT 129 of 1989****RECEIVED****NOV 02 1989****RATIONALE**

Public Act 281 of 1945 provides for regional planning and the creation of regional planning commissions. Currently, there are 14 regional planning commissions and councils of government in existence across the State. Membership of these intergovernmental bodies is made up of representatives of local governments, including county commissioners. While regional commissions are allowed to pay a per diem to their members for attending commission meetings, many of these commissions choose not to pay because they cannot afford the expense. As a result, many cities and townships have assumed this responsibility and compensate their appointees for attending these meetings. An Attorney General opinion was sought in 1979 to determine whether it would be permissible for a county, also, to pay a per diem allowance and mileage to its representatives on the regional planning commission. The Attorney General ruled that such compensation was not permissible (OAG No. 5518). (The opinion did not address the issue of cities and townships paying their representatives on a regional planning commission, but noted "legislative intent that the sole compensation for attendance at meetings of the regional planning commission be paid for by the ...commission".) The issue of compensation, particularly as it pertained to county commissioners serving as representatives on regional boards, surfaced again when Macomb County joined the Southeast Michigan Council of Governments (SEMCOG). While an intergovernmental commission may set guidelines as to

compensation for its members, some people contend that because a local governmental unit is paying its representative, then that unit should determine the amount of compensation for its representative. In addition, some people believe that the situation needs to be clarified so counties may compensate their representatives for attending meetings of the regional board, which often may involve considerable time and travel.

**CONTENT**

The bill would amend the General Municipal Planning Act to allow a member of a regional planning commission to receive a per diem allowance and mileage as established and paid by the regional commission or, if a per diem allowance or mileage were not established and paid by the regional commission, as established and paid by the local unit appointing that member for each meeting attended, and to be reimbursed for not more than actual expenses incurred as a member of the commission.

Currently, commission members may receive a per diem allowance and mileage as established by the regional commission, and may be reimbursed for actual expenses incurred as members.

MCL 125.14

S.B. 295 (8-31-89)

## **FISCAL IMPACT**

Senate Bill 295 would have no fiscal impact on State government. The bill could result in an increase in the number of local units of government reimbursing their members for attending regional planning commission meetings.

## **ARGUMENTS**

### **Supporting Argument**

Many regional planning commissions were formed approximately 20 years ago with the expectation that they would operate much like other organizations to which counties send representatives, such as community mental health boards. Some county officials believe that these regional commissions and councils of government are a function of county government and are an important part of the business of a county since they deal with economic, environmental, and transportation issues, among others. County representatives have had to travel some distances and have devoted a great deal of time to attend meetings and conferences. Some counties reportedly have been compensating their representatives, even though that practice is not permitted. Very few persons serving as county commissioners do so on a full-time basis, for which they are compensated. Thus, these people have to spend their own time and money to attend these regional planning commission meetings. Counties should be permitted to decide whether they want to compensate their representatives for their service to the county.

### **Opposing Argument**

In addressing the operations of intergovernmental bodies, such as joint police and fire boards as well as district library boards, the Legislature in the past has permitted these boards to decide whether to pay a per diem to their members. The amount of the per diem also has been decided by the joint board with payment coming from the board's funds. The bill is inconsistent with past legislative decisions. In addition, allowing each local government that participates on an intergovernmental board to decide whether to pay a per diem and the amount could place board members in competition with each other. Many persons who serve on these boards do so

as a community service, with pay being a secondary consideration. If members of such intergovernmental boards are to be paid, however, then that decision should be made by the board members--not their respective local governments--and should apply equally to all members of a board.

**Response:** In fact, many cities and townships are paying their representatives for attending regional commission meetings, and the rate of compensation varies among the local governments. The bill would clarify the practice of compensation and would permit counties to compensate their representatives on these commissions, just as cities and townships already are doing. Furthermore, under the bill, a regional planning commission would still have the option of setting the amount of its members' reimbursement; the local units could do so only if the commission did not.

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