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BILL ANALYSIS

Senate Fiscal Agency

Lansing, Michigan 48909

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House Bill 4053 (as reported without amendment)

Sponsor: Representative Gary L. Randall

House Committee: Towns and Counties

Senate Committee: Local Government and Veterans

Date Completed: 6-4-87

RATIONALE

Under the Drain Code, a board of determination is appointed after a petition to locate, establish, and construct a drain has been filed with the county drain commissioner. The board of determination is made up of three "disinterested property owners" who are appointed by the county drain commissioner, or if the drain commissioner is disqualified, as outlined in the Code, by the county board of commissioners. The board of determination is charged with determining whether the proposed drain is needed and is conducive to public health, convenience, or welfare. The Drain Code requires that the compensation, mileage, and expenses of a member of the board of determination be fixed by the county board of commissioners but limits the compensation to "\$25 per diem exclusive of mileage and expenses" for attending the meeting. The code also specifies that a board member may not receive more than \$25 per diem "for a day no matter how many separate matters are considered on that day". Some people believe that the statutory per diem cap is too low and should either be increased or left to local officials to establish.

CONTENT

The bill would amend the Drain Code to provide that the per diem compensation, mileage, and expenses of a member of a board of determination would be the same as that received by the county board of commissioners. In counties where commissioners are not paid on a per diem basis, the compensation, mileage, and expenses would be fixed by the drain commissioner. The members of the board of determination would not be able to receive more than one per diem for a day, no matter how many separate matters were considered on that day.

The bill would delete a provision in the Code that limits compensation of members of a board of determination to \$25, exclusive of mileage and expenses for attendance at a board meeting.

MCL 280.72

FISCAL IMPACT

House Bill 4053 would have no fiscal impact on State government. Cost to local units would depend on the per diem rate set for the county commissioners or by the drain commissioner, and by the number of per diems required in a given period of time.

ARGUMENTS**Supporting Argument**

Some county officials argue that the current \$25 per diem limit is unrealistically low compensation for members of boards of determination, since their work of judging drain projects can be difficult and time-consuming. By setting the per diem for boards of determination at the same level as that of county commissioners, the bill would provide a measure of fairness and uniformity, and avoid entangling the question of the level of compensation in local politics.

Opposing Argument

It is not clear that the bill would solve the problem of compensation. Without knowing the amount of various per diems for county commissioners, there is no way to know whether the members of boards of determination would or would not receive adequate compensation for their work. Reportedly, per diems for county commissioner vary from \$20 to \$50 in those counties where commissioners receive them. In other counties, there is one per diem rate for full days and another for half days. Instead of the State's determining the compensation, local officials should set the rate of compensation for boards of determination. Local officials are better prepared to know what is fair and appropriate compensation for the kind of work the boards must do in their locale.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

H.B. 4053 (6-4-87)