

Senator Jelinek offered the following concurrent resolution:

Senate Concurrent Resolution No. 7.

A concurrent resolution to reject the compensation increase authorized for Civil Service employees by the Civil Service Commission for the 2007-2008 Fiscal Year.

Whereas, Article XI, Section 5 of the Michigan Constitution of 1963 provides that increases in rates of compensation in the state classified services authorized by the Civil Service Commission require prior notice to the Governor. The constitution also requires that the Governor transmit such increases to the Legislature as part of the Governor's budget; and

Whereas, Article XI, Section 5 of the *Constitution of the State of Michigan of 1963* reads, in part, as follows:

Increases in rates of compensation authorized by the commission may be effective only at the start of a fiscal year and shall require prior notice to the governor, who shall transmit such increases to the legislature as part of his budget. The legislature may, by a majority vote of the members elected to and serving in each house, waive the notice and permit increases in rates of compensation to be effective at a time other than the start of a fiscal year. Within 60 calendar days following such transmission, the legislature may, by a two-thirds vote of the members elected to and serving in each house, reject or reduce increases in rates of compensation authorized by the commission. Any reduction ordered by the legislature shall apply uniformly to all classes of employees affected by the increases and shall not adjust pay differentials already established by the civil service commission. The legislature may not reduce rates of compensation below those in effect at the time of the transmission of increases authorized by the commission.

; and

Whereas, On December 15, 2004, the Civil Service Commission approved a multi-year collective bargaining agreement with five state employee unions representing seven bargaining units for Fiscal Years 2006, 2007, and 2008; and

Whereas, The net additional cost of these pay increases to the Fiscal Years 2006 and 2007 state budgets was \$41.3 million and \$99.1 million, respectively; and

Whereas, On December 5, 2006, the Commission approved Fiscal Year 2008 pay increases for non-exclusively represented state classified employees, and on February 8, 2007, Governor Granholm transmitted the pay increases to the Legislature as part of her Executive Budget recommendation; and

Whereas, The net additional cost of these pay increases to the Fiscal Year 2008 budget is estimated to be \$109.9 million; and

Whereas, Michigan's hardworking families and private sector employees have faced layoffs, pay cuts, loss of benefits, and other employment concessions. From 2002 to 2006, Michigan lost 310,500 jobs, or 6.6 percent of our payroll employment. In January 2007, our unemployment rate was the highest in the nation at 6.9 percent. Michigan per capita personal income relative to the size of U.S. per capita personal income is at a historically low level. In 2005, Michigan per capita income marked its lowest level since 1933 (during the Great Depression); and

Whereas, The Governor states that Michigan faces a projected budget deficit of \$3 billion. In these difficult and uncertain economic times, it would be fiscally irresponsible and grossly unfair to raise taxes on Michigan's hardworking citizens while providing salary increases to state government employees; now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Michigan Legislature, pursuant to its constitutional authority, hereby rejects the compensation increases for

Civil Service employees authorized by the Michigan Civil Service Commission for Fiscal Year 2007-2008; and be it further

Resolved, That copies of this resolution be transmitted to the Office of the Governor and the Civil Service Commission.