Department of Legislative Services

Maryland General Assembly
2008 Session

FISCAL AND POLICY NOTE

Senate Bill 25   (Senator Simonaire)

Budget and Taxation

State Government - General Assembly - Legislative Salaries

This constitutional amendment proposes allowing the General Assembly to pass, at any time, a joint resolution to supersede existing legislative compensation levels, but only for the purpose of reducing compensation.

Fiscal Summary

State Effect: None. The proposed constitutional amendment does not reduce legislative compensation but instead establishes a process for doing so. If adopted by the voters, the General Assembly would have to pass a joint resolution to reduce compensation.

Local Effect: If approved by the General Assembly, this constitutional amendment will be submitted to the voters at the 2008 general election. It should not result in additional costs for the local election boards.

Small Business Effect: None.

Analysis

Current Law: The General Assembly Compensation Commission determines compensation levels and allowances for members of the General Assembly, subject to the approval of the General Assembly. The commission consists of nine members, of whom five are appointed by the Governor, two by the President of the Senate, and two by the Speaker of the House. Members of the General Assembly and State and local government employees are not eligible to serve on the commission.

Every four years, the commission submits its determinations for compensation and allowances to the General Assembly for the following four-year term. The General Assembly can approve, reject, or reduce the commission's recommendations, but cannot increase any item. If the General Assembly rejects the commission's recommendations, existing compensation and allowances remain in effect for the next four-year term. If the General Assembly approves the commission's recommendations, with or without reductions, it cannot make any further changes to compensation levels for four years.

Background: The annual salary for members of the General Assembly during the 2007-2010 term is $43,500; presiding officers receive $56,500. Legislators are also entitled to reimbursement of meals and lodging expenses, subject to the standard State travel regulations, when attending regular, extended, or special sessions of the General Assembly or conducting official business related to their position.

Legislators may also participate in benefit programs generally available to other State employees, including subsidized medical, dental, and prescription insurance coverage. They may also elect to participate in the legislative pension plan. Participating members contribute 5% of their annual salary. If they serve at least 8 years in the General Assembly, they are eligible to receive a retirement allowance upon reaching age 60. The retirement allowance is equal to 3% of the annual salary of a current legislator for each year of service up to 22 years and 3 months.

Local Effect: The Maryland Constitution requires that proposed amendments to the constitution be publicized either • in at least two newspapers in each county, if available, and in at least three newspapers in Baltimore City once a week for four weeks immediately preceding the general election; or • by order of the Governor in a manner provided by law. State law requires local boards of elections to publicize proposed amendments to the constitution either in newspapers or on specimen ballots; local boards of elections are responsible for the costs associated with these requirements. It is anticipated that the budgets of local election boards will contain funding for notifying qualified voters about proposed constitutional amendments for the 2008 general election in newspapers or on specimen ballots.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Legislative Services

Fiscal Note History: First Reader - January 21, 2008
ncs/ljm

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