

**Department of Legislative Services**  
Maryland General Assembly  
2010 Session

**FISCAL AND POLICY NOTE**  
**Revised**

House Joint Resolution 3      (The Speaker)(By Request - Governor's Salary  
Commission)

Appropriations

Budget and Taxation

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**Governor's Salary Commission - Salary Recommendations for Governor and  
Lieutenant Governor**

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This joint resolution rejects the salary recommendations of the Governor's Salary Commission for the Governor and Lieutenant Governor for the next four-year term of office.

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**Fiscal Summary**

**State Effect:** None. The resolution maintains existing expenditure levels for the salaries of the Governor and Lieutenant Governor.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:**

*The Governor's Salary Commission*

The Maryland Constitution ratified by the voters in 1867 established the salary for the State's chief executive at \$4,500. This remained the salary until voters approved a constitutional amendment in 1954 raising the salary to \$15,000. An amendment in 1966 elevated the salary to \$25,000. A 1976 constitutional amendment created a gubernatorial

salary setting mechanism – the Governor’s Salary Commission. The Governor’s Salary Commission met for the first time in late 1977 and issued its first report in January 1978.

The Governor’s Salary Commission has seven members, including the State Treasurer, three persons appointed by the President of the Senate, and three persons appointed by the Speaker of the House of Delegates. Appointees serve a four-year term. Members of the General Assembly and officers and employees of the State or a political subdivision of the State are not eligible for appointment to the commission.

The commission must submit salary recommendations for the Governor and Lieutenant Governor to the General Assembly within 10 calendar days after the beginning of the last regular General Assembly session in a four-year term of office. A joint resolution incorporating the recommendations must be introduced in each House of the General Assembly by the fifteenth day of the session. If the commission does not recommend any change in salary, no joint resolution needs to be introduced and the salaries for the two offices will not change during the next four-year term.

The General Assembly may endorse or reduce the commission’s proposals but may not increase the proposed salaries. Failure to adopt a joint resolution within 50 calendar days following its introduction results in adoption of the salaries recommended by the commission.

Neither the commission nor the General Assembly may recommend or endorse salaries lower than those received by the incumbent Governor and Lieutenant Governor.

Salaries resulting from these actions take effect at the beginning of the next term of office, *i.e.*, January 19, 2011.

**Background:** The Governor’s Salary Commission recommended that the salaries of the Governor and Lieutenant Governor be maintained at their current levels for the first two years of the next four-year term, which begins January 19, 2011, and recommended increases in the salaries in years three and four as depicted in **Exhibit 1**.

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**Exhibit 1**  
**Recommended Salary Changes for the Governor and Lieutenant Governor**

| <u>Year of Term</u> | <u>Calendar Year</u> | <u>Governor</u> | <u>% Increase Over Current Salary</u> | <u>Lieutenant Governor</u> | <u>% Increase Over Current Salary</u> |
|---------------------|----------------------|-----------------|---------------------------------------|----------------------------|---------------------------------------|
| First               | 2011                 | \$150,000       | N/A                                   | \$125,000                  | N/A                                   |
| Second              | 2012                 | 150,000         | N/A                                   | 125,000                    | N/A                                   |
| Third               | 2013                 | 155,000         | 3.3                                   | 129,167                    | 3.3                                   |
| Fourth              | 2014                 | 160,000         | 6.7                                   | 133,333                    | 6.7                                   |

*Recommendations of Past Governor's Salary Commissions*

The 1989 Governor's Salary Commission recommended a salary of \$135,000 for the Governor and \$115,000 for the Lieutenant Governor for the 1991-1994 term of office. The General Assembly amended the joint resolution to reflect a salary for the Governor of \$120,000 and a salary of \$100,000 for the Lieutenant Governor. The 1993 Governor's Salary Commission did not recommend an increase. The 1997 Governor's Salary Commission made the same salary recommendations as the 1989 commission. The recommendations were rejected by the General Assembly.

In 2002, the General Assembly adopted the 2001 commission's recommendations and increased the Governor's annual salary from \$120,000 to \$135,000 for the first year of the upcoming Governor's term of office, and by \$5,000 each year until the annual salary reached \$150,000 in the fourth year. The Lieutenant Governor's annual salary increased from \$100,000 to \$112,500 for the first year of the upcoming Lieutenant Governor's term of office, and by increments of approximately \$4,167 each year until the annual salary reached \$125,000 in the fourth year.

In 2006, the General Assembly rejected the 2005 commission's recommendations, which were to increase the Governor's salary by \$5,000 each year until the annual salary reached \$170,000 in the fourth year. The commission recommended salary increases for the Lieutenant Governor in proportion to those of the Governor.

Beginning with the 1981 Governor's Salary Commission, the commission has made recommendations, per the Governor's request, on salaries for four constitutional officers: State Treasurer, Comptroller of the Treasury, Attorney General, and Secretary of State. Governor O'Malley requested that the 2009 Governor's Salary Commission review and recommend compensation for these constitutional officers.

The *Report of the Governor's Salary Commission*, published in January 2010, contains appendices showing the salaries and rankings for each of the constitutional officers in all 50 states. **Exhibit 2** shows the salary rankings of the Governor and Lieutenant Governor compared with the other 49 states.

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**Exhibit 2**  
**State Ranking of Governor and Lieutenant Governor Salaries**

|                     | <u>2009</u><br><u>Salary</u> | <u>2009</u><br><u>Ranking</u> | <u>2005</u><br><u>Salary</u> | <u>2005</u><br><u>Ranking</u> | <u>2001</u><br><u>Salary</u> | <u>2001</u><br><u>Ranking</u> |
|---------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|------------------------------|-------------------------------|
| Governor            | \$150,000                    | 11                            | \$145,000                    | 9                             | \$120,000                    | 10                            |
| Lieutenant Governor | 125,000                      | 7                             | 120,833                      | 5                             | 100,000                      | 8                             |

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## Additional Information

**Prior Introductions:** None.

**Cross File:** SJ 2 (The President)(By Request – Governor’s Salary Commission) – Budget and Taxation.

**Information Source(s):** Department of Legislative Services

**Fiscal Note History:** First Reader - January 29, 2010  
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