

**Introduced by Senator Maldonado**

January 15, 2009

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Senate Constitutional Amendment No. 8—A resolution to propose to the people of the State of California an amendment to the Constitution of the State, by amending Section 8 of Article III thereof, relating to state officer salaries.

LEGISLATIVE COUNSEL'S DIGEST

SCA 8, as introduced, Maldonado. State officer salary increases.

Existing provisions of the California Constitution direct the California Citizens Compensation Commission to establish and adjust the salary and benefits for Members of the Legislature and certain other state officers.

This measure would prohibit the commission from adopting in a fiscal year a resolution that would increase the salary of Members of the Legislature or other state officers if the Legislative Analyst has determined, based on General Fund revenues and expenditures, that there exists an operating deficit in that fiscal year. The measure also would specify that the commission may adjust the salaries and benefits of these officials by increasing, decreasing, or maintaining them for a particular fiscal year.

Vote:  $\frac{2}{3}$ . Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

- 1 *Resolved by the Senate, the Assembly concurring,* That the
- 2 Legislature of the State of California at its 2009–10 Regular
- 3 Session commencing on the first day of December 2008, two-thirds
- 4 of the membership of each house concurring, hereby proposes to

1 the people of the State of California that the Constitution of the  
2 State be amended as follows:

3 That Section 8 of Article III thereof is amended to read:

4 SEC. 8. (a) The California Citizens Compensation Commission  
5 is hereby created and shall consist of seven members appointed  
6 by the Governor. The commission shall establish the annual salary  
7 and the medical, dental, insurance, and other similar benefits of  
8 state officers.

9 (b) The commission shall consist of the following persons:

10 (1) Three public members, one of whom has expertise in the  
11 area of compensation, such as an economist, market researcher,  
12 or personnel manager; one of whom is a member of a nonprofit  
13 public interest organization; and one of whom is representative of  
14 the general population and may include, among others, a retiree,  
15 homemaker, or person of median income. No person appointed  
16 pursuant to this paragraph may, during the 12 months prior to his  
17 or her appointment, have held public office, either elective or  
18 appointive, have been a candidate for elective public office, or  
19 have been a lobbyist, as defined by the Political Reform Act of  
20 1974.

21 (2) Two members who have experience in the business  
22 community, one of whom is an executive of a corporation  
23 incorporated in this State which ranks among the largest private  
24 sector employers in the State based on the number of employees  
25 employed by the corporation in this State and one of whom is an  
26 owner of a small business in this State.

27 (3) Two members, each of whom is an officer or member of a  
28 labor organization.

29 (c) The Governor shall strive insofar as practicable to provide  
30 a balanced representation of the geographic, gender, racial, and  
31 ethnic diversity of the State in appointing commission members.

32 (d) The Governor shall appoint commission members and  
33 designate a chairperson for the commission not later than 30 days  
34 after the effective date of this section. The terms of two of the  
35 initial appointees shall expire on December 31, 1992, two on  
36 December 31, 1994, and three on December 31, 1996, as  
37 determined by the Governor. Thereafter, the term of each member  
38 shall be six years. Within 15 days of any vacancy, the Governor  
39 shall appoint a person to serve the unexpired portion of the term.

1 (e) No current or former officer or employee of this State is  
2 eligible for appointment to the commission.

3 (f) Public notice shall be given of all meetings of the  
4 commission, and the meetings shall be open to the public.

5 (g) On or before December 3, 1990, the commission shall, by  
6 a single resolution adopted by a majority of the membership of  
7 the commission, establish the annual salary and the medical, dental,  
8 insurance, and other similar benefits of state officers. The annual  
9 salary and benefits specified in that resolution shall be effective  
10 on and after December 3, 1990.

11 Thereafter, at or before the end of each fiscal year, the  
12 commission shall, by a ~~single~~ resolution adopted by a majority of  
13 the membership of the commission, adjust ~~the annual salary and~~  
14 the medical, dental, insurance, and other similar benefits of state  
15 officers. The ~~annual salary and~~ benefits specified in the resolution  
16 shall be effective on and after the first Monday of the next  
17 December.

18 *The commission shall adjust the annual salary of state officers*  
19 *by a resolution adopted by a majority of the membership of the*  
20 *commission, not earlier than November 15, to take effect on the*  
21 *first Monday of the next December, except that a resolution shall*  
22 *not be adopted or take effect in any year that increases the annual*  
23 *salary of any state officer if, on or before the immediately*  
24 *preceding November 1, the Legislative Analyst determines that,*  
25 *for the current fiscal year, General Fund revenues have declined*  
26 *substantially below the estimate of General Fund revenues upon*  
27 *which the budget bill enacted for that fiscal year was based, or*  
28 *General Fund expenditures have increased substantially above*  
29 *that estimate of General Fund revenues; in either event an*  
30 *operating deficit shall thereby be deemed to exist for that fiscal*  
31 *year. If, during that fiscal year, the Legislative Analyst*  
32 *subsequently determines that the operating deficit for that fiscal*  
33 *year no longer exists, the commission may thereupon adopt, during*  
34 *that same fiscal year, a resolution that increases the annual salary*  
35 *of state officers. The Legislative Analyst shall provide to the*  
36 *Governor and both houses of the Legislature a written notice of*  
37 *any determination that an operating deficit exists, and of any*  
38 *subsequent determination that the operating deficit has been*  
39 *eliminated.*

1 (h) In establishing or adjusting the annual salary and the medical,  
2 dental, insurance, and other similar benefits, the commission shall  
3 consider all of the following:

4 (1) The amount of time directly or indirectly related to the  
5 performance of the duties, functions, and services of a state officer.

6 (2) The amount of the annual salary and the medical, dental,  
7 insurance, and other similar benefits for other elected and appointed  
8 officers and officials in this State with comparable responsibilities,  
9 the judiciary, and, to the extent practicable, the private sector,  
10 recognizing, however, that state officers do not receive, and do  
11 not expect to receive, compensation at the same levels as  
12 individuals in the private sector with comparable experience and  
13 responsibilities.

14 (3) The responsibility and scope of authority of the entity in  
15 which the state officer serves.

16 (4) *Whether the Legislative Analyst has determined that an*  
17 *operating deficit exists in the current fiscal year.*

18 (i) Until a resolution establishing or adjusting the annual salary  
19 and the medical, dental, insurance, and other similar benefits for  
20 state officers takes effect, each state officer shall continue to receive  
21 the same annual salary and the medical, dental, insurance, and  
22 other similar benefits received previously.

23 (j) All commission members shall receive their actual and  
24 necessary expenses, including travel expenses, incurred in the  
25 performance of their duties. Each member shall be compensated  
26 at the same rate as members, other than the chairperson, of the  
27 Fair Political Practices Commission, or its successor, for each day  
28 engaged in official duties, not to exceed 45 days per year.

29 (k) It is the intent of the Legislature that the creation of the  
30 commission should not generate new state costs for staff and  
31 services. The Department of Personnel Administration, the Board  
32 of Administration of the Public Employees' Retirement System,  
33 or other appropriate agencies, or their successors, shall furnish,  
34 from existing resources, staff and services to the commission as  
35 needed for the performance of its duties.

36 (l) "State officer," as used in this section, means the Governor,  
37 Lieutenant Governor, Attorney General, Controller, Insurance  
38 Commissioner, Secretary of State, Superintendent of Public  
39 Instruction, Treasurer, member of the State Board of Equalization,  
40 and Member of the Legislature.

1 (m) “Adjust,” as used in this section, means the process of  
2 consideration of the appropriate levels of salaries and benefits,  
3 based on the criteria set forth in subdivision (h), that would result  
4 in a resolution of the commission to increase, decrease, or maintain  
5 without change the levels of salaries or benefits for a particular  
6 fiscal year.