

AMENDED IN SENATE FEBRUARY 19, 2009

Senate Constitutional Amendment

No. 8

Introduced by Senator Maldonado

(Coauthor: Senator Correa)

*(Coauthors: Assembly Members Bill Berryhill, DeVore, Gilmore, Niello,
and Portantino)*

January 15, 2009

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 amended, 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 *Director of Finance determines that there will be a negative balance in the Special Fund for Economic Uncertainties at the end of that 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
5 the people of the State of California that the Constitution of the
6 State be amended as follows:

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

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

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

14 (1) Three public members, one of whom has expertise in the
15 area of compensation, such as an economist, market researcher,
16 or personnel manager; one of whom is a member of a nonprofit
17 public interest organization; and one of whom is representative of
18 the general population and may include, among others, a retiree,
19 homemaker, or person of median income. No person appointed
20 pursuant to this paragraph may, during the 12 months prior to his
21 or her appointment, have held public office, either elective or
22 appointive, have been a candidate for elective public office, or
23 have been a lobbyist, as defined by the Political Reform Act of
24 1974.

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

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

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

36 (d) The Governor shall appoint commission members and
37 designate a chairperson for the commission not later than 30 days

1 after the effective date of this section. The terms of two of the
2 initial appointees shall expire on December 31, 1992, two on
3 December 31, 1994, and three on December 31, 1996, as
4 determined by the Governor. Thereafter, the term of each member
5 shall be six years. Within 15 days of any vacancy, the Governor
6 shall appoint a person to serve the unexpired portion of the term.

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

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

11 (g) On or before December 3, 1990, the commission shall, by
12 a single resolution adopted by a majority of the membership of
13 the commission, establish the annual salary and the medical, dental,
14 insurance, and other similar benefits of state officers. The annual
15 salary and benefits specified in that resolution shall be effective
16 on and after December 3, 1990.

17 Thereafter, at or before the end of each fiscal year, the
18 commission shall, by a resolution adopted by a majority of the
19 membership of the commission, adjust the medical, dental,
20 insurance, and other similar benefits of state officers. The benefits
21 specified in the resolution shall be effective on and after the first
22 Monday of the next December.

23 ~~The~~ *Thereafter, at or before the end of each fiscal year, the*
24 *commission shall adjust the annual salary of state officers by a*
25 *resolution adopted by a majority of the membership of the*
26 *commission, not earlier than November 15, to take effect on the*
27 *commission. The annual salary specified in the resolution shall*
28 *be effective on and after the first Monday of the next December,*
29 *except that a resolution shall not be adopted or take effect in any*
30 *year that increases the annual salary of any state officer if, on or*
31 *before the immediately preceding November 1, the Legislative*
32 *Analyst determines that, for the current fiscal year, General Fund*
33 *revenues have declined substantially below the estimate of General*
34 *Fund revenues upon which the budget bill enacted for that fiscal*
35 *year was based, or General Fund expenditures have increased*
36 *substantially above that estimate of General Fund revenues; in*
37 *either event an operating deficit shall thereby be deemed to exist*
38 *for that fiscal year. If, during that fiscal year, the Legislative*
39 *Analyst subsequently determines that the operating deficit for that*
40 *fiscal year no longer exists, the commission may thereupon adopt,*

1 ~~during that same fiscal year, a resolution that increases the annual~~
2 ~~salary of state officers. The Legislative Analyst shall provide to~~
3 ~~the Governor and both houses of the Legislature a written notice~~
4 ~~of any determination that an operating deficit exists, and of any~~
5 ~~subsequent determination that the operating deficit has been~~
6 ~~eliminated.~~ *preceding June 1, the Director of Finance certifies to*
7 *the commission, based on estimates for the current fiscal year,*
8 *that there will be a negative balance on June 30 of the current*
9 *fiscal year in the Special Fund for Economic Uncertainties in an*
10 *amount equal to, or greater than, 1 percent of estimated General*
11 *Fund revenues.*

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

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

17 (2) The amount of the annual salary and the medical, dental,
18 insurance, and other similar benefits for other elected and appointed
19 officers and officials in this State with comparable responsibilities,
20 the judiciary, and, to the extent practicable, the private sector,
21 recognizing, however, that state officers do not receive, and do
22 not expect to receive, compensation at the same levels as
23 individuals in the private sector with comparable experience and
24 responsibilities.

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

27 ~~(4) Whether the Legislative Analyst has determined that an~~
28 ~~operating deficit exists in the current fiscal year.~~

29 *(4) Whether the Director of Finance estimates that there will*
30 *be a negative balance in the Special Fund for Economic*
31 *Uncertainties in an amount equal to or greater than 1 percent of*
32 *estimated General Fund revenues in the current fiscal year.*

33 (i) Until a resolution establishing or adjusting the annual salary
34 and the medical, dental, insurance, and other similar benefits for
35 state officers takes effect, each state officer shall continue to receive
36 the same annual salary and the medical, dental, insurance, and
37 other similar benefits received previously.

38 (j) All commission members shall receive their actual and
39 necessary expenses, including travel expenses, incurred in the
40 performance of their duties. Each member shall be compensated

1 at the same rate as members, other than the chairperson, of the
2 Fair Political Practices Commission, or its successor, for each day
3 engaged in official duties, not to exceed 45 days per year.

4 (k) It is the intent of the Legislature that the creation of the
5 commission should not generate new state costs for staff and
6 services. The Department of Personnel Administration, the Board
7 of Administration of the Public Employees' Retirement System,
8 or other appropriate agencies, or their successors, shall furnish,
9 from existing resources, staff and services to the commission as
10 needed for the performance of its duties.

11 (l) "State officer," as used in this section, means the Governor,
12 Lieutenant Governor, Attorney General, Controller, Insurance
13 Commissioner, Secretary of State, Superintendent of Public
14 Instruction, Treasurer, member of the State Board of Equalization,
15 and Member of the Legislature.

16 ~~(m) "Adjust," as used in this section, means the process of~~
17 ~~consideration of the appropriate levels of salaries and benefits,~~
18 ~~based on the criteria set forth in subdivision (h), that would result~~
19 ~~in a resolution of the commission to increase, decrease, or maintain~~
20 ~~without change the levels of salaries or benefits for a particular~~
21 ~~fiscal year.~~