

Final Minutes

Legislative Commission on Statutory Mandates Meeting

2:00 p.m. • Wednesday, January 9, 2008

Legislative Council Conference Room • Boji Tower Building

Members Present:

Robert Daddow, Chair
Amanda Van Dusen, Co-Chair
Ralph "Skip" Maccarone
Dennis Pollard
J. Dallas Winegarden, Jr.

Members Excused:

None

Others Present:

Mark Bertler, Michigan Association for Local Public Health
Susan Cavanagh, Office of the Legislative Council Administrator
Stephanie Cepak, Gongwer News Service
Cheryl Chapko, Muchmore Harrington Smalley & Associates
Benjamin Frederick, Office of Senator Roger Kahn
Thomas Hickson, Jr., Michigan Association of Counties
Kathleen Johnston-Calati, Senate Democratic Office
The Honorable Phil LaJoy, 21st District State Representative
Wendy Larwick, Office of Representative LaJoy
Eric Luper, Citizens Research Council
Eric Scorsone, Michigan State University
Adam Stacey, House Republican Policy Office
John Strand, Legislative Council Administrator
Bill Sullivan, Office of Senator Bishop

I. Call to Order

The Chair called the meeting to order at 2:00 p.m. and asked the clerk to take the roll as members and audience participants introduced themselves. A quorum was present.

II. Public Comments

The Chair asked for public comment. There was none.

III. Approval of Agenda

The Chair asked for a motion to approve the agenda. **Mr. Maccarone moved, seconded by Ms. Van Dusen, to approve the agenda. There was no further discussion. The agenda was unanimously approved by a vote of 5-0-0.**

Yea: Mr. Daddow
Ms. Van Dusen
Mr. Maccarone
Mr. Pollard
Mr. Winegarden

Nay: None

Pass: None

IV. Discussion of Mission, Goals, and Legislation Passed Enabling the Commission

The Chair opened the floor for a discussion of the Commission's mission and goals. He called on State Representative Phil LaJoy to provide some background on the legislation that created the Commission. Ms. Van Dusen inquired if the Representative sees a connection between the work of this Commission and the work of the Legislative Commission on Government Efficiency and provided an example of a statutory mandate where there is a need for efficiency in state government and a reporting requirement at the local level. Representative LaJoy responded that he did not foresee a direct connection due to the nature of the Commissions, but he will be monitoring the activity of both Commissions and would be willing to share information between the Commissions.

V. Discussion of Public Act 101 of 1979, as Amended

The Chair then called on Mr. Pollard to provide an explanation of Public Act 101 of 1979, as amended. Mr. Pollard shared a memo regarding the requirements created by 1979 PA 101 and noted that this legislation has been roundly ignored. He proceeded with a few instances where requirements were never implemented. Ms. Van Dusen offered two additional observations that she thought should be kept in mind: 1) there have been times when the State has agreed that an additional mandate has been imposed, but the State has merely shifted unrestricted revenues to that restricted purpose and 2) the Supreme Court has concluded that they are powerless to enforce the obligation of the legislature to appropriate funds for that purpose.

VI. Benchmarks

The Chair highlighted the mission and goals of the Commission mentioned in the written testimony of Representative LaJoy and called on Mr. Pollard to bring forward some information he researched as part of the Durant case. Mr. Pollard distributed a disc that contained a report that was released in January of 1980 that cataloged all the mandates imposed on local units of governments at that time. He noted that the report does not quantify the amount of funding, but it could be used as a starting point to identify what mandates existed when the Headlee amendment was adopted. He added that identifying the mandates that exist today is important in determining whether it requires proportionate or full funding. In addition, the cataloging of this information is going to require a tremendous amount of man hours and the much more formidable task is going to be to quantify the amount of under funding that is involved. With regards to current law, the Chair assured members that any remedy to fund a mandate would not be retroactive. Representative LaJoy encouraged the Commission to offer recommendations to the legislature as they are determined.

VII. Research on Papers Covering Unfunded Mandates

The Chair reported that he was hoping to obtain some private research studies on unfunded mandates, but did not find much information on the subject.

VIII. Action and Assignments

The Chair pointed out that many of the organizations that represent local units of government were present at today's meeting and specifically called on the School District Association, the Michigan Municipal League, the Michigan Association of Counties, and the Michigan Township Association to participate in the process. Ms. Van Dusen hoped the Citizens Research Council could also be involved in this effort and disclosed that she currently sits on their board. The Chair asked that the representatives present relay to their groups what the Commission is doing, seek their counsel and a set of recommendations on what they envision this Commission should be doing, and to alert them to get ready for the larger effort of surveying how many unfunded mandates there are today. The possibility of incurring accounting costs was then discussed. Mr. Eric Scorsone from Michigan State University explained the efforts his group has made so far and the Chair asked him to share with the group an earlier report he had prepared for the counties. The discussion continued and Mr. Pollard suggested that some independent accounting expertise will be needed to determine some reasonable estimates of the unfunded mandates. The Chair will contact some accounting firms to get an idea of what will be involved. Mr. Strand noted that there may be some legislative staff available to assist the Commission and a request for additional funding to hire outside accountants needs to be made to the legislative leadership. In response to Mr. Pollard's inquiry if legislative staff is available to help identify the mandates, the Chair stated that he is sure the groups that have a significant vested interest would be willing to participate in the assembly of this information. **Mr. Maccarone moved, seconded by Mr. Winegarden, that before the next meeting an estimate be prepared for a request that the legislature allocate funding for a study by an independent audit. A sufficient number of members voting in the affirmative, the motion prevailed by a vote of 5-0-0.**

Yea:	Mr. Daddow	Nay:	None	Pass:	None
	Ms. Van Dusen				
	Mr. Maccarone				
	Mr. Pollard				
	Mr. Winegarden				

Mr. Maccarone then offered a suggestion to recommend that the legislature direct the Legislative Service Bureau to mark every piece of pending legislation under consideration by the House and Senate as to whether it has a Headlee impact and, if so, what the anticipated cost is on local governments. The entity responsible for preparing the analysis of determining whether or not Headlee would apply was discussed. **Mr. Maccarone moved that the Commission request that Representative LaJoy and the authors of the Commission's enabling legislation enact legislation as soon as possible that would include in all House and Senate analyses of pending legislation whether or not Headlee, as written and in plain English, would apply to that legislation and, if so, the cost impact to local units of government. Mr. Pollard seconded the motion.** The motion was discussed further. Mr. Winegarden shared that he is excited about this Commission, but felt we need time to review all of the information that was provided today. **Mr. Winegarden moved to table the motion to the next meeting date certain. Mr. Pollard seconded the motion. A sufficient number of members voting in the affirmative, the motion prevailed by a vote of 5-0-0.**

Yea:	Mr. Daddow	Nay:	None	Pass:	None
	Ms. Van Dusen				
	Mr. Maccarone				
	Mr. Pollard				
	Mr. Winegarden				

Mr. Tom Hickson from the Michigan Association Counties had submitted a report earlier and inquired if that report is sufficient. The Chair responded that he will be chatting with a number of County Commissioners at a MAC meeting later next week and hopes to get them to participate in the process and take on a more active role. Ms. Cheryl Chapko shared that she will relay the assignment to the Michigan Township Association.

IX. Other Business

Mr. Winegarden felt it would be beneficial for the information coming into the Commission be distributed to the members before the next meeting. Mr. Scorsone volunteered to standardize the information and coordinate the dissemination. The Chair suggested he send any information he would like shared to the committee clerk who will forward a copy to each member of the Commission.

The last item the Chair addressed was the members' interest in meeting with the original drafter of Public Act 101 of 1979, Peter Fisher. Mr. Pollard will make contact with Mr. Fisher and follow up on the invitation.

X. Future Meeting Dates, Locations, and Times

Future meeting dates and alternating the meeting location between Lansing and southeast Michigan were discussed. The second Wednesday of the month at 1:00 p.m. was set as the regular monthly meeting day and time with the next meeting to be at the Oakland County Executive Office Building in southeast Michigan.

XI. Adjournment

Having no further business, Ms. Van Dusen moved, supported by Mr. Winegarden, to adjourn the meeting. Without objection, the motion was approved. The meeting was adjourned at 3:30 p.m.

NEXT MEETING DATE

The next full Committee meeting is scheduled for **Wednesday, February 13, 2008**. A proposed agenda will be sent to members.

Action Items:

- The Chair to deal with requests to define the scope of work and estimate for funding studies
- Representatives of agencies to communicate back the willingness of their organization to participate
- Mr. Maccarone's motion tabled to next meeting
- Heads of House and Senate Fiscal Agencies to be invited to next meeting
- Members to review material before next meeting
- Copy of proposed minutes to be sent to members before the next meeting
- Committee clerk to forward LCSM meeting minutes to members of the Legislative Commission on Government Efficiency and send LCSM members minutes of the LCGE meetings

(Approved at the February 13, 2008 LCSM Meeting)