## **Legislative Analysis**



## WAIVER TO ALLOW THE IMPLEMENTATION OF STATE POLICE TROOPER CONTRACT

Phone: (517) 373-8080 http://www.house.mi.gov/hfa

Senate Concurrent Resolution 25 as adopted by the House

Analysis available at http://www.legislature.mi.gov

Sponsor: Sen. Jim Stamas

Complete to 5-5-22

## **SUMMARY:**

Senate Concurrent Resolution 25 would waive the requirement of Article XI, Section 5 of the Constitution of the State of Michigan, which provides that increases in compensation rates authorized by the Civil Service Commission (CSC) may be effective only at the start of a fiscal year and shall require prior notice to the governor, who shall transmit such increases as part of his or her budget. On February 8, 2022, the state personnel director granted interim approval of the collective bargaining agreement negotiated between the State of Michigan and the Michigan State Police Troopers Association, which covers fiscal year (FY) 2020-21 through FY 2023-24. This resolution would allow for rate increases and payments for other compensation, as necessitated by the recently agreed upon negotiated contract.

## **FISCAL IMPACT:**

The Department of State Police (MSP) indicated that the negotiated contract would likely require an estimated \$10.0 million in additional funding for FY 2020-21. This additional funding is necessary because the enacted budget for FY 2020-21 included a 2.5% cost of living adjustment (COLA), while the new contract increased that adjustment to 4%. MSP has been able to address the need for the additional FY 2020-21 funding using funds available from vacancy savings and other accounts. The impact for FY 2021-22 is expected to be significantly less, as the newly negotiated COLA increase was the same as the COLA increase included in MSP's base budget. The total amount of additional funding needed for FY 2021-22 is expected to be around \$550,000, and the department is projected to cover this amount using existing appropriations. The amount of additional funding needed for FY 2022-23 will most likely be addressed in the FY 2023-24 budget, and the amount of needed funding is to be determined.

Fiscal Analyst: Marcus Coffin

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<sup>■</sup> This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.