

HOUSE JOINT RESOLUTION Y

November 29, 2022, Introduced by Rep. Rabhi and referred to the Committee on Energy.

A joint resolution proposing an amendment to the state constitution of 1963, by amending sections 15 and 29 of article VII and adding section 31 to article V, to create a state public utility.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to create a state public utility, is proposed, agreed to, and submitted to the people of the state:

ARTICLE V

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Sec. 31. (1) The state public utility is created.

1 (2) The state public utility board is created. The public
2 service commission shall appoint the first members of the board
3 within 30 days after the effective date of this section. The term
4 of a member of the board is six years or until a successor is
5 appointed by the public service commission, whichever is later. If
6 a vacancy occurs on the board, the chairperson of the board shall
7 appoint an individual to fill the vacancy for the balance of the
8 term. A majority of the members of the board constitutes a quorum
9 for transacting business. A vote in favor by a majority of the
10 members of the board serving is required for any action of the
11 board. The board shall conduct its business in compliance with
12 state law regarding open meetings. A writing that is prepared,
13 owned, used, possessed, or retained by the board in performing an
14 official function is subject to retention and disclosure as
15 provided under state law. The board shall do all of the following:

16 (a) Purchase or acquire by eminent domain all of the electric
17 and natural gas generation, distribution, or transmission
18 facilities owned by any investor-owned utility in this state.

19 (b) Authorize the issuance of bonds to finance or refinance
20 the purchase, acquisition, or development of electric or natural
21 gas generation, distribution, or transmission facilities.

22 (c) Set all rates, fares, fees, charges, services, rules,
23 conditions of service, and all other matters pertaining to the
24 formation, operation, or direction of the state public utility.

25 (d) No later than 18 months after the effective date of this
26 section, implement a plan that does all of the following:

27 (i) Establishes lower rates for low-income residential
28 customers.

29 (ii) Builds across this state accessible, rapid-charging

1 infrastructure for electric vehicles.

2 (iii) Makes rapid investments in the distribution network in
3 this state to increase reliability and improve capacity for
4 interconnections of new renewable generation.

5 (3) No later than 18 months after the effective date of this
6 section, each investor-owned utility in this state shall divest its
7 generation, distribution, and transmission systems to the state
8 public utility.

9 (4) The legislature shall implement this section by law.

10 ARTICLE VII

11 Sec. 15. Any county, when authorized by its board of
12 ~~supervisors~~**commissioners** shall have the authority to enter or to
13 intervene in any action or certificate proceeding involving the
14 services, charges, or rates of any privately owned public utility
15 ~~furnishing~~**or utility established under section 31 of article V,**
16 **that furnishes** services or commodities to rate payers within the
17 county.

18 Sec. 29. (1) ~~No~~**Except as otherwise provided in this section,**
19 **a person, partnership, association, or corporation, public or**
20 **private, operating a public utility shall**~~shall~~**does not** have the right
21 to ~~the~~**any of the following:**

22 (a) **The** use of the highways, streets, alleys, or other public
23 places of any county, township, city, or village for wires, poles,
24 pipes, tracks, conduits, or other utility facilities, without the
25 consent of the duly constituted authority of the county, township,
26 city, or village. ~~or to transact~~

27 (b) **Transact** local business ~~therein~~**in a county, township,**
28 **city, or village** without first obtaining a franchise from the
29 **county, township, city, or village.**

1 (2) Except as otherwise provided in this constitution the
2 right of all counties, townships, cities, and villages to the
3 reasonable control of their highways, streets, alleys, and public
4 places is hereby reserved to ~~such~~**those** local units of government.

5 (3) **The state public utility established in section 31 of**
6 **article V has the right to use the highways, streets, alleys, or**
7 **other public places of any county, township, city, or village for**
8 **wires, poles, pipes, tracks, conduits, or other utility facilities,**
9 **without the consent of the duly constituted authority of the**
10 **county, township, city, or village. The state public utility**
11 **established in section 31 of article V does not need to obtain a**
12 **franchise to transact business in a county, township, city, or**
13 **village.**

14 Resolved further, That the foregoing amendment shall be
15 submitted to the people of the state at the next general election
16 in the manner provided by law.