

HOUSE JOINT RESOLUTION BBB

March 25, 2010, Introduced by Rep. Hammel and referred to the Committee on Appropriations.

A joint resolution proposing an amendment to the state constitution of 1963, by amending sections 26 and 31 of article IV, sections 19 and 29 of article V, sections 11, 14, 24, 26, 27, 28, 35, 35a, and 40 of article IX, and section 5 of article XI and by adding sections 55 and 56 to article IV and section 31 to article V, to require production of a fiscal impact note by a nonpartisan legislative fiscal agency for a bill before a house of the legislature considers the bill, to require spending cuts or increased revenues for any bill that will negatively impact state revenue, to provide for a two-year fiscal period for the state

budget, to require certain bills relating to the state budget be presented to the governor on or before a certain date, to reduce the compensation of state legislators, the governor, and the lieutenant governor when certain bills relating to the state budget are not presented on or before a date certain, to require legislative review of tax expenditures every two years, and to extend the item veto to tax expenditures.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to require production of a fiscal impact note by a nonpartisan legislative fiscal agency for a bill before a house of the legislature considers the bill, to require spending cuts or increased revenues for any bill that will negatively impact state revenue, to provide for a two-year fiscal period for the state budget, to require certain bills relating to the state budget be presented to the governor on or before a certain date, to reduce the compensation of state legislators, the governor, and the lieutenant governor when certain bills relating to the state budget are not presented on or before a date certain, to require legislative review of tax expenditures every two years, and to extend the item veto to tax expenditures, is proposed, agreed to, and submitted to the people of the state:

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ARTICLE IV

Sec. 26. No bill shall be passed or become a law at any regular session of the legislature until it has been printed or reproduced and in the possession of each house for at least five days. Every bill shall be read three times in each house before the

1 final passage thereof. No bill shall become a law without the
2 concurrence of a majority of the members elected to and serving in
3 each house. On the final passage of bills, the votes and names of
4 the members voting thereon shall be entered in the journal. **NO BILL**
5 **MAY BE CONSIDERED BY EITHER HOUSE OF THE LEGISLATURE BEFORE THE**
6 **MEMBERS OF THAT HOUSE HAVE BEEN PROVIDED WITH A FISCAL IMPACT NOTE**
7 **PRODUCED BY A NONPARTISAN LEGISLATIVE FISCAL AGENCY DETAILING THE**
8 **FISCAL IMPACT OF THE BILL UPON THIS STATE, OTHER GOVERNMENTAL**
9 **ENTITIES IN THIS STATE, BUSINESSES IN THIS STATE, AND CITIZENS OF**
10 **THIS STATE. IF A BILL WILL HAVE A NEGATIVE IMPACT ON ANY REVENUES**
11 **TO THIS STATE, THE BILL SHALL NOT BECOME LAW UNLESS ANOTHER BILL IS**
12 **ENACTED TO REDUCE STATE SPENDING OR INCREASE STATE REVENUES BY THAT**
13 **SAME AMOUNT.**

14 Sec. 31. The general appropriation bills for the succeeding
15 fiscal period covering items set forth in the budget shall be
16 passed or rejected in either house of the legislature before that
17 house passes any appropriation bill for items not in the budget
18 except bills supplementing appropriations for the current fiscal
19 ~~year's~~ **PERIOD'S** operation. Any bill requiring an appropriation to
20 carry out its purpose shall be considered an appropriation bill.
21 One of the general appropriation bills as passed by the legislature
22 shall contain an itemized statement of estimated revenue by major
23 source in each operating fund for the ensuing fiscal period, the
24 total of which shall not be less than the total of all
25 appropriations made from each fund in the general appropriation
26 bills as passed. **FOR THE FISCAL PERIOD BEGINNING OCTOBER 1, 2011**
27 **AND FOR EACH SUCCEEDING FISCAL PERIOD, WHEN USED IN THIS**

1 CONSTITUTION, "FISCAL PERIOD" MEANS A PERIOD OF TWO YEARS AS
2 PROVIDED BY LAW. THE LEGISLATURE SHALL PASS AND PRESENT TO THE
3 GOVERNOR ALL GENERAL APPROPRIATION BILLS FOR A FISCAL PERIOD AND
4 BILLS NECESSARY FOR THE FUNDING AND IMPLEMENTATION OF THE
5 APPROPRIATIONS CONTAINED IN THE GENERAL APPROPRIATION BILLS BEFORE
6 JULY 1 OF EACH ODD NUMBERED YEAR.

7 SEC. 55. NOTWITHSTANDING SECTION 12 OF THIS ARTICLE, IF THE
8 LEGISLATURE HAS NOT PASSED AND PRESENTED TO THE GOVERNOR ALL
9 GENERAL APPROPRIATION BILLS AND BILLS NECESSARY FOR THE FUNDING AND
10 IMPLEMENTATION OF THE APPROPRIATION CONTAINED IN THE GENERAL
11 APPROPRIATION BILLS BEFORE THE DATE SET FORTH IN SECTION 31 OF THIS
12 ARTICLE, EACH LEGISLATOR, THE GOVERNOR, AND THE LIEUTENANT GOVERNOR
13 SHALL FORFEIT HIS OR HER SALARY FOR EACH DAY AFTER THE DATE THAT
14 ALL GENERAL APPROPRIATION BILLS AND BILLS NECESSARY FOR THE FUNDING
15 AND IMPLEMENTATION OF THE APPROPRIATION CONTAINED IN THE GENERAL
16 APPROPRIATION BILLS HAVE NOT BEEN PASSED AND PRESENTED.

17 SEC. 56. IN EACH REGULAR SESSION THAT BEGINS IN AN EVEN
18 NUMBERED YEAR, THE LEGISLATURE SHALL REVIEW EVERY LAW THAT
19 AUTHORIZES, CONTINUES, OR REVIVES A TAX EXPENDITURE DURING THE
20 SUCCEEDING FISCAL PERIOD AS DETAILED IN THE EXECUTIVE TAX
21 EXPENDITURE REPORT REQUIRED UNDER SECTION 31 OF ARTICLE V. ON OR
22 BEFORE APRIL 30 OF EACH EVEN NUMBERED YEAR, THE APPROPRIATIONS
23 COMMITTEES OF THE HOUSE OF REPRESENTATIVES AND SENATE SHALL JOINTLY
24 RECOMMEND THE RETENTION, REDUCTION, OR REPEAL OF EACH TAX
25 EXPENDITURE IDENTIFIED IN THE EXECUTIVE TAX EXPENDITURE REPORT. TAX
26 EXPENDITURE REVIEW BILLS TO IMPLEMENT THE JOINT RECOMMENDATIONS OF
27 THE APPROPRIATIONS COMMITTEES SHALL BE INTRODUCED IN BOTH THE HOUSE

1 OF REPRESENTATIVES AND THE SENATE ON OR BEFORE MAY 31 OF EACH EVEN
2 NUMBERED YEAR. BEFORE THE HOUSE OF REPRESENTATIVES ADOPTS A
3 RESOLUTION ADJOURNING THE REGULAR SESSION WITHOUT DAY, EACH TAX
4 EXPENDITURE REVIEW BILL INTRODUCED IN THE HOUSE SHALL BE PASSED OR
5 REJECTED BY THE HOUSE AND EACH TAX EXPENDITURE REVIEW BILL PASSED
6 BY THE SENATE SHALL BE PASSED OR REJECTED BY THE HOUSE. BEFORE THE
7 SENATE ADOPTS A RESOLUTION ADJOURNING THE REGULAR SESSION WITHOUT
8 DAY, EACH TAX EXPENDITURE REVIEW BILL INTRODUCED IN THE SENATE
9 SHALL BE PASSED OR REJECTED BY THE SENATE AND EACH TAX EXPENDITURE
10 REVIEW BILL PASSED BY THE HOUSE OF REPRESENTATIVES SHALL BE PASSED
11 OR REJECTED BY THE SENATE.

12 AS USED IN THIS CONSTITUTION, "TAX EXPENDITURE" MEANS ANY LAW
13 OR PORTION OF A LAW ENACTED BY THIS STATE THAT EXEMPTS, IN WHOLE OR
14 IN PART, CERTAIN PERSONS, INCOME, GOODS, SERVICES, ACTIVITY, OR
15 PROPERTY FROM THE IMPACT OF AN ESTABLISHED STATE TAX AND REDUCES
16 THE AMOUNT OF TAX REVENUE OTHERWISE COLLECTED BY THIS STATE,
17 INCLUDING, BUT NOT LIMITED TO, A TAX EXEMPTION, TAX EXCLUSION, TAX
18 DEDUCTION, TAX SUBTRACTION, TAX ALLOWANCE, TAX CREDIT, TAX REFUND,
19 OR PREFERENTIAL TAX RATE. TAX EXPENDITURE DOES NOT INCLUDE ANY
20 FEDERAL LAW RELATED TO THE DEFINITION OF TAXABLE INCOME THAT IS
21 INCORPORATED BY REFERENCE IN STATE LAW.

22 ARTICLE V

23 Sec. 19. The governor may disapprove any distinct item or
24 items appropriating moneys in any appropriation bill OR
25 AUTHORIZING, CONTINUING, OR REVIVING A TAX EXPENDITURE IN ANY OTHER
26 BILL. The part or parts approved shall become law, and the item or
27 items disapproved shall be void unless re-passed according to the

1 method prescribed for the passage of other bills over the executive
2 veto.

3 Sec. 29. There is hereby established a civil rights commission
4 which shall consist of eight persons, not more than four of whom
5 shall be members of the same political party, who shall be
6 appointed by the governor, by and with the advice and consent of
7 the senate, for four-year terms not more than two of which shall
8 expire in the same year. It shall be the duty of the commission in
9 a manner which may be prescribed by law to investigate alleged
10 discrimination against any person because of religion, race, color
11 or national origin in the enjoyment of the civil rights guaranteed
12 by law and by this constitution, and to secure the equal protection
13 of such civil rights without such discrimination. The legislature
14 shall provide an ~~annual~~-appropriation **FOR EACH FISCAL PERIOD** for
15 the effective operation of the commission.

16 The commission shall have power, in accordance with the
17 provisions of this constitution and of general laws governing
18 administrative agencies, to promulgate rules and regulations for
19 its own procedures, to hold hearings, administer oaths, through
20 court authorization to require the attendance of witnesses and the
21 submission of records, to take testimony, and to issue appropriate
22 orders. The commission shall have other powers provided by law to
23 carry out its purposes. Nothing contained in this section shall be
24 construed to diminish the right of any party to direct and
25 immediate legal or equitable remedies in the courts of this state.

26 Appeals from final orders of the commission, including cease
27 and desist orders and refusals to issue complaints, shall be tried

1 de novo before the circuit court having jurisdiction provided by
2 law.

3 **SEC. 31. NOT LESS THAN 30 DAYS AFTER THE CONVENING OF A**
4 **REGULAR SESSION OF THE LEGISLATURE IN AN EVEN NUMBERED YEAR, THE**
5 **GOVERNOR SHALL SUBMIT TO THE APPROPRIATIONS COMMITTEES OF THE HOUSE**
6 **OF REPRESENTATIVES AND THE SENATE AN EXECUTIVE TAX EXPENDITURE**
7 **REPORT DETAILING EACH PROVISION OF MICHIGAN LAW THAT AUTHORIZES,**
8 **CONTINUES, OR REVIVES A TAX EXPENDITURE DURING THE SUCCEEDING**
9 **FISCAL PERIOD AND THE ESTIMATED IMPACT OF THE TAX EXPENDITURES ON**
10 **REVENUE OTHERWISE PAYABLE TO THIS STATE. ON THE SAME DATE, THE**
11 **GOVERNOR MAY SUBMIT TO THE LEGISLATURE BILLS TO RETAIN, REDUCE, OR**
12 **REPEAL TAX EXPENDITURES.**

13 ARTICLE IX

14 Sec. 11. There shall be established a state school aid fund
15 which shall be used exclusively for aid to school districts, higher
16 education, and school employees' retirement systems, as provided by
17 law. Sixty percent of all taxes imposed at a rate of 4% on
18 retailers on taxable sales at retail of tangible personal property,
19 100% of the proceeds of the sales and use taxes imposed at the
20 additional rate of 2% provided for in section 8 of this article,
21 and other tax revenues provided by law, shall be dedicated to this
22 fund. Payments from this fund shall be made in full on a scheduled
23 basis, as provided by law. Beginning in the 1995-96 state fiscal
24 year and each **YEAR DURING A** state fiscal ~~year~~-**PERIOD** after 1995-96,
25 the state shall guarantee that the total state and local per pupil
26 revenue for school operating purposes for each local school
27 district shall not be less than the 1994-95 total state and local

1 per pupil revenue for school operating purposes for that local
2 school district, as adjusted for consolidations, annexations, or
3 other boundary changes. However, this guarantee does not apply in a
4 year in which the local school district levies a millage rate for
5 school district operating purposes less than it levied in 1994.

6 Sec. 14. To meet obligations incurred pursuant to
7 appropriations for any fiscal ~~year~~, **PERIOD**, the legislature may by
8 law authorize the state to issue its full faith and credit notes in
9 which case it shall pledge undedicated revenues to be received
10 within the same fiscal ~~year~~ **PERIOD** for the repayment thereof. Such
11 indebtedness in any fiscal ~~year~~ **PERIOD** shall not exceed 15 percent
12 of undedicated revenues received by the state during the preceding
13 fiscal ~~year~~ **PERIOD** and such debts shall be repaid at the time the
14 revenues so pledged are received, but not later than the end of the
15 same fiscal ~~year~~ **PERIOD**.

16 Sec. 24. The accrued financial benefits of each pension plan
17 and retirement system of the state and its political subdivisions
18 shall be a contractual obligation thereof which shall not be
19 diminished or impaired thereby.

20 Financial benefits arising on account of service rendered in
21 each fiscal ~~year~~ **PERIOD** shall be funded during that ~~year~~ **PERIOD** and
22 such funding shall not be used for financing unfunded accrued
23 liabilities.

24 Sec. 26. There is hereby established a limit on the total
25 amount of taxes which may be imposed by the legislature in any
26 ~~fiscal year~~ **IN A FISCAL PERIOD** on the taxpayers of this state. This
27 limit shall not be changed without approval of the majority of the

1 qualified electors voting thereon, as provided for in Article 12 of
2 the Constitution. Effective with fiscal year 1979-1980, and for
3 each ~~fiscal~~-year **IN A FISCAL PERIOD** thereafter, the legislature
4 shall not impose taxes of any kind which, together with all other
5 revenues of the state, federal aid excluded, exceed the revenue
6 limit established in this section. The revenue limit shall be equal
7 to the product of the ratio of Total State Revenues in fiscal year
8 1978-79 divided by the Personal Income of Michigan in calendar year
9 1977 multiplied by the Personal Income of Michigan in either the
10 prior calendar year or the average of Personal Income of Michigan
11 in the previous three calendar years, whichever is greater.

12 For any ~~fiscal~~-year **IN A FISCAL PERIOD** in the event that Total
13 State Revenues exceed the revenue limit established in this section
14 by 1% or more, the excess revenues shall be refunded pro rata based
15 on the liability reported on the Michigan income tax and single
16 business tax (or its successor tax or taxes) annual returns filed
17 following the close of such fiscal ~~year~~-**PERIOD**. If the excess is
18 less than 1%, this excess may be transferred to the State Budget
19 Stabilization Fund.

20 The revenue limitation established in this section shall not
21 apply to taxes imposed for the payment of principal and interest on
22 bonds, approved by the voters and authorized under Section 15 of
23 this Article, and loans to school districts authorized under
24 Section 16 of this Article.

25 If responsibility for funding a program or programs is
26 transferred from one level of government to another, as a
27 consequence of constitutional amendment, the state revenue and

1 spending limits may be adjusted to accommodate such change,
2 provided that the total revenue authorized for collection by both
3 state and local governments does not exceed that amount which would
4 have been authorized without such change.

5 Sec. 27. The revenue limit of Section 26 of this Article may
6 be exceeded only if all of the following conditions are met: (1)
7 The governor requests the legislature to declare an emergency; (2)
8 the request is specific as to the nature of the emergency, the
9 dollar amount of the emergency, and the method by which the
10 emergency will be funded; and (3) the legislature thereafter
11 declares an emergency in accordance with the specific of the
12 governor's request by a two-thirds vote of the members elected to
13 and serving in each house. The emergency must be declared in
14 accordance with this section prior to incurring any of the expenses
15 which constitute the emergency request. The revenue limit may be
16 exceeded only during the fiscal ~~year~~**PERIOD** for which the emergency
17 is declared. In no event shall any part of the amount representing
18 a refund under Section 26 of this Article be the subject of an
19 emergency request.

20 Sec. 28. No expenses of state government shall be incurred in
21 any ~~fiscal~~**year IN A FISCAL PERIOD** which exceed the sum of the
22 revenue limit established in Sections 26 and 27 of this Article
23 plus federal aid and any surplus from a previous fiscal
24 ~~year~~**PERIOD**.

25 Sec. 35. There is hereby established the Michigan natural
26 resources trust fund. The trust fund shall consist of all bonuses,
27 rentals, delayed rentals, and royalties collected or reserved by

1 the state under provisions of leases for the extraction of
2 nonrenewable resources from state owned lands, except such revenues
3 accruing under leases of state owned lands acquired with money from
4 state or federal game and fish protection funds or revenues
5 accruing from lands purchased with such revenues. The trust fund
6 may receive appropriations, money, or other things of value. The
7 assets of the trust fund shall be invested as provided by law.

8 Until the trust fund reaches an accumulated principal of
9 \$500,000,000.00, \$10,000,000.00 of the revenues from bonuses,
10 rentals, delayed rentals, and royalties described in this section
11 otherwise dedicated to the trust fund that are received by the
12 state each ~~state fiscal year~~ **IN A FISCAL PERIOD** shall be deposited
13 into the Michigan state parks endowment fund. However, until the
14 trust fund reaches an accumulated principal of \$500,000,000.00, in
15 any state fiscal ~~year~~, **PERIOD**, not more than 50 percent of the
16 total revenues from bonuses, rentals, delayed rentals, and
17 royalties described in this section otherwise dedicated to the
18 trust fund that are received by the state each state fiscal ~~year~~
19 **PERIOD** shall be deposited into the Michigan state parks endowment
20 fund.

21 The amount accumulated in the trust fund in any ~~state fiscal~~
22 year **IN A FISCAL PERIOD** shall not exceed \$500,000,000.00, exclusive
23 of interest and earnings and amounts authorized for expenditure
24 pursuant to this section. When the accumulated principal of the
25 trust fund reaches \$500,000,000.00, all revenue from bonuses,
26 rentals, delayed rentals, and royalties described in this section
27 that would be received by the trust fund but for this limitation

1 shall be deposited into the Michigan state parks endowment fund
2 until the Michigan state parks endowment fund reaches an
3 accumulated principal of \$800,000,000.00. When the Michigan state
4 parks endowment fund reaches an accumulated principal of
5 \$800,000,000.00, all revenues from bonuses, rentals, delayed
6 rentals, and royalties described in this section shall be
7 distributed as provided by law.

8 The interest and earnings of the trust fund shall be expended
9 for the acquisition of land or rights in land for recreational uses
10 or protection of the land because of its environmental importance
11 or its scenic beauty, for the development of public recreation
12 facilities, and for the administration of the trust fund, which may
13 include payments in lieu of taxes on state owned land purchased
14 through the trust fund. The trust fund may provide grants to units
15 of local government or public authorities which shall be used for
16 the purposes of this section. The legislature shall provide that a
17 portion of the cost of a project funded by such grants be provided
18 by the local unit of government or public authority.

19 Until the trust fund reaches an accumulated principal of
20 \$500,000,000.00, the legislature may provide, in addition to the
21 expenditure of interest and earnings authorized by this section,
22 that a portion, not to exceed 33-1/3 percent, of the revenues from
23 bonuses, rentals, delayed rentals, and royalties described in this
24 section received by the trust fund during each state fiscal year
25 **PERIOD** may be expended during subsequent state fiscal ~~years~~**PERIODS**
26 for the purposes of this section.

27 Not less than 25 percent of the total amounts made available

1 for expenditure from the trust fund from any state fiscal year
2 **PERIOD** shall be expended for acquisition of land and rights in land
3 and not more than 25 percent of the total amounts made available
4 for expenditure from the trust fund from any state fiscal year
5 **PERIOD** shall be expended for development of public recreation
6 facilities.

7 The legislature shall provide by law for the establishment of
8 a trust fund board within the department of natural resources **AND**
9 **ENVIRONMENT**. The trust fund board shall recommend the projects to
10 be funded. The board shall submit its recommendations to the
11 governor who shall submit the board's recommendations to the
12 legislature in an appropriations bill.

13 The legislature shall provide by law for the implementation of
14 this section.

15 Sec. 35a. There is hereby established the Michigan state parks
16 endowment fund. The endowment fund shall consist of revenues as
17 provided in section 35 of this article, and as provided by law. The
18 endowment fund may also receive private contributions of money or
19 other things of value. All money in the Genevieve Gillette state
20 parks endowment fund shall be transferred to the endowment fund.
21 The assets of the endowment fund shall be invested as provided by
22 law.

23 The accumulated principal of the endowment fund shall not
24 exceed \$800,000,000.00, which amount shall be annually adjusted
25 pursuant to the rate of inflation beginning when the endowment fund
26 reaches \$800,000,000.00. This annually adjusted figure is the
27 accumulated principal limit of the endowment fund.

1 Money available for expenditure from the endowment fund as
2 provided in this section shall be expended for operations,
3 maintenance, and capital improvements at Michigan state parks and
4 for the acquisition of land or rights in land for Michigan state
5 parks.

6 Money in the endowment fund shall be expended as follows:

7 (1) Until the endowment fund reaches an accumulated principal
8 of \$800,000,000.00, each state fiscal ~~year~~-**PERIOD** the legislature
9 may appropriate not more than 50 percent of the money received
10 under section 35 of this article plus interest and earnings and any
11 private contributions or other revenue to the endowment fund.

12 (2) Once the accumulated principal in the endowment fund
13 reaches \$800,000,000.00, only the interest and earnings of the
14 endowment fund in excess of the amount necessary to maintain the
15 endowment fund's accumulated principal limit may be made available
16 for expenditure.

17 Unexpended appropriations of the endowment fund from any state
18 fiscal ~~year~~-**PERIOD** as authorized by this section may be carried
19 forward or may be appropriated as determined by the legislature for
20 purposes of this section.

21 The legislature shall provide by law for implementation of
22 this section.

23 Sec. 40. The Michigan conservation and recreation legacy fund
24 is established. The state treasurer shall direct the investment of
25 the legacy fund. The state treasurer shall establish within the
26 legacy fund restricted accounts as authorized by this section and
27 may establish additional subaccounts as authorized by law. The

1 state treasurer may receive gifts, grants, bequests, or assets from
2 any source for deposit into a particular account or subaccount. The
3 assets of the legacy fund shall be invested as provided by law.
4 Interest and earnings accruing from each account or subaccount
5 shall be credited to that account or subaccount.

6 The forest recreation account is established as an account
7 within the legacy fund. The forest recreation account shall consist
8 of revenue derived from concessions, leases, contracts, and fees
9 from recreational activities on state forestlands and other
10 revenues as authorized by law. Money in the forest recreation
11 account shall be expended only for the following:

12 (a) The development, improvement, operation, promotion, and
13 maintenance of forest recreation activities.

14 (b) Grants to state colleges and universities to implement
15 programs funded by the forest recreation account.

16 (c) The administration of the forest recreation account.

17 The game and fish protection account is established as an
18 account within the legacy fund. The game and fish protection
19 account shall consist of revenue derived from hunting and fishing
20 licenses, passbooks, permits, fees, concessions, leases, contracts,
21 and activities; damages paid for the illegal taking of game and
22 fish; revenue derived from fees, licenses, and permits related to
23 game, game areas, and game fish; and other revenues as authorized
24 by law. Money in the game and fish protection account shall be
25 expended only for the following:

26 (a) The development, improvement, operation, promotion, and
27 maintenance of wildlife and fisheries programs and facilities.

1 (b) The acquisition of land and rights in land that support
2 wildlife and fisheries programs.

3 (c) Research to support wildlife and fisheries programs.

4 (d) The enforcement and administration of the wildlife and
5 fisheries laws of the state, including the necessary equipment and
6 apparatus incident to the operation and enforcement of wildlife and
7 fisheries laws.

8 (e) The protection, propagation, distribution, and control of
9 wildlife and fish.

10 (f) Grants to state colleges and universities to implement
11 programs funded by the game and fish protection account.

12 (g) The administration of the game and fish protection
13 account, which may include payments in lieu of taxes on state owned
14 land that has been or will be purchased through the game and fish
15 protection fund or account.

16 The off-road vehicle account is established as an account
17 within the legacy fund. The off-road vehicle account shall consist
18 of revenue derived from fees imposed upon the use or registration
19 of off-road vehicles and other revenues as authorized by law. Money
20 in the off-road vehicle account shall be expended only for the
21 following:

22 (a) Signage for and the improvement, maintenance, and
23 construction of off-road vehicle trails, routes, or areas.

24 (b) The administration and enforcement of state regulations
25 related to off-road vehicles.

26 (c) The leasing of land for use by off-road vehicles.

27 (d) The acquisition of easements, permits, or other agreements

1 for the use of land for off-road vehicle trails, routes, or areas.

2 (e) The restoration of any of the natural resources of the
3 state on public land that are damaged due to off-road vehicle use.

4 (f) Safety education programs related to the operation of off-
5 road vehicles.

6 (g) Other uses as provided by law as long as the uses are
7 consistent with the development, improvement, operation, promotion,
8 and maintenance of the state's off-road vehicle programs.

9 (h) Grants to state colleges and universities to implement
10 programs funded by the off-road vehicle account.

11 (i) The administration of the off-road vehicle account.

12 The recreation improvement account is established as an
13 account within the legacy fund. The recreation improvement account
14 shall consist of all tax revenue derived from the sale of two
15 percent of the gasoline sold in this state for consumption in
16 internal combustion engines and other revenues as authorized by
17 law. Money in the recreation improvement account shall be
18 distributed as follows:

19 (a) Eighty percent of the money shall be annually transferred
20 to the waterways account to be used for the purposes of that
21 account.

22 (b) Fourteen percent of the money shall be annually
23 transferred to the snowmobile account to be used for the purposes
24 of that account.

25 (c) The remainder of the money that is not transferred under
26 this section shall be used, upon appropriation, for recreation
27 projects, including grants to state colleges and universities to

1 implement recreation projects, and for the administration of the
2 recreation improvement account. Of the amount that is credited to
3 recreational projects in a fiscal year, ~~PERIOD~~, not less than
4 twenty-five percent of any funds designated for projects intended
5 for off-road vehicles shall be expended on projects to repair
6 damages as a result of pollution, impairment, or destruction of
7 air, water, or other natural resources, or the public trust, in
8 air, water, or other natural resources, as a result of the use of
9 off-road vehicles.

10 The snowmobile account is established as an account within the
11 legacy fund. The snowmobile account shall consist of revenue
12 derived from fees imposed for the registration or use of
13 snowmobiles; revenue derived from the use of snowmobile trails;
14 transfers from the recreation improvement account; and other
15 revenues as authorized by law. Money in the snowmobile account
16 shall be expended only for the following:

17 (a) Planning, construction, maintenance, and acquisition of
18 trails and areas for the use of snowmobiles.

19 (b) Providing access to trails and areas for the use of
20 snowmobiles.

21 (c) Providing basic snowmobile facilities.

22 (d) The administration and enforcement of state regulations
23 related to snowmobiles.

24 (e) Safety education programs related to the operation of
25 snowmobiles.

26 (f) Other uses as provided by law as long as the uses are
27 consistent with the development, improvement, operation, promotion,

1 and maintenance of the state's snowmobile programs.

2 (g) Grants to state colleges and universities to implement
3 programs funded by the snowmobile account.

4 (h) The administration of the snowmobile account, which may
5 include payments in lieu of taxes on state owned land that has been
6 or will be purchased through the recreational snowmobile trail
7 improvement fund or snowmobile account.

8 The state park improvement account is established as an
9 account within the legacy fund. The state park improvement account
10 shall consist of revenue derived from concessions, leases,
11 contracts, fees, and permits for activities in state parks and
12 recreation areas; damages paid to the state for illegal activities
13 in state parks and recreation areas; and other revenues as
14 authorized by law. Money in the state park improvement account
15 shall be expended only for the following:

16 (a) The development, improvement, operation, promotion, and
17 maintenance of state parks and recreation areas.

18 (b) Grants to state colleges and universities to implement
19 programs funded by the state park improvement account.

20 (c) The administration of the state park improvement account.

21 The waterways account is established as an account within the
22 legacy fund. The waterways account shall consist of revenue derived
23 from watercraft registration fees assessed on the ownership or
24 operation of watercraft in the state; revenue derived from fees
25 charged for the moorage of watercraft at state-operated mooring
26 facilities; revenue derived from fees charged for the use of state-
27 operated public access sites; transfers from the recreation

1 improvement account; all tax revenue derived from the sale of
2 diesel fuel in this state that is used to generate power for the
3 operation or propulsion of vessels on the waterways of the state;
4 and other revenues as authorized by law. Money in the waterways
5 account shall be expended only for the following:

6 (a) The construction, operation, and maintenance of
7 recreational boating facilities that provide public access to
8 waterways or moorage of watercraft.

9 (b) The acquisition of property for the purpose of paragraph
10 (a).

11 (c) Grants to local units of government and state colleges and
12 universities for the provision of public access or moorage of
13 watercraft and law enforcement or boating education to recreational
14 watercraft operators.

15 (d) The acquisition and development of harbors and public
16 access sites.

17 (e) The enforcement of laws related to the operation of
18 watercraft and education related to the operation of watercraft.
19 Not less than forty-nine percent of revenues from watercraft
20 registration fees received by the waterways account shall be used
21 for the purposes of this subdivision.

22 (f) The administration of programs funded by the waterways
23 account.

24 (g) Other uses as provided by law as long as the uses are
25 consistent with the development, improvement, operation, promotion,
26 and maintenance of the state's waterways programs.

27 (h) The administration of the waterways account, which may

1 include payments in lieu of taxes on state owned land that has been
2 or will be purchased through the Michigan state waterways fund or
3 waterways account.

4 The legislature shall provide by law for the implementation of
5 this section.

6 ARTICLE XI

7 Sec. 5. The classified state civil service shall consist of
8 all positions in the state service except those filled by popular
9 election, heads of principal departments, members of boards and
10 commissions, the principal executive officer of boards and
11 commissions heading principal departments, employees of courts of
12 record, employees of the legislature, employees of the state
13 institutions of higher education, all persons in the armed forces
14 of the state, eight exempt positions in the office of the governor,
15 and within each principal department, when requested by the
16 department head, two other exempt positions, one of which shall be
17 policy-making. The civil service commission may exempt three
18 additional positions of a policy-making nature within each
19 principal department.

20 The civil service commission shall be non-salaried and shall
21 consist of four persons, not more than two of whom shall be members
22 of the same political party, appointed by the governor for terms of
23 eight years, no two of which shall expire in the same year.

24 The administration of the commission's powers shall be vested
25 in a state personnel director who shall be a member of the
26 classified service and who shall be responsible to and selected by
27 the commission after open competitive examination.

1 The commission shall classify all positions in the classified
2 service according to their respective duties and responsibilities,
3 fix rates of compensation for all classes of positions, approve or
4 disapprove disbursements for all personal services, determine by
5 competitive examination and performance exclusively on the basis of
6 merit, efficiency and fitness the qualifications of all candidates
7 for positions in the classified service, make rules and regulations
8 covering all personnel transactions, and regulate all conditions of
9 employment in the classified service.

10 State Police Troopers and Sergeants shall, through their
11 elected representative designated by 50% of such troopers and
12 sergeants, have the right to bargain collectively with their
13 employer concerning conditions of their employment, compensation,
14 hours, working conditions, retirement, pensions, and other aspects
15 of employment except promotions which will be determined by
16 competitive examination and performance on the basis of merit,
17 efficiency and fitness; and they shall have the right 30 days after
18 commencement of such bargaining to submit any unresolved disputes
19 to binding arbitration for the resolution thereof the same as now
20 provided by law for Public Police and Fire Departments.

21 No person shall be appointed to or promoted in the classified
22 service who has not been certified by the commission as qualified
23 for such appointment or promotion. No appointments, promotions,
24 demotions or removals in the classified service shall be made for
25 religious, racial or partisan considerations.

26 Increases in rates of compensation authorized by the
27 commission may be effective only at the start of a ~~fiscal~~-year **IN A**

1 **FISCAL PERIOD** and shall require prior notice to the governor, who
2 shall transmit such increases to the legislature ~~as part of his~~
3 ~~budget~~ **NOT LESS THAN 30 DAYS AFTER THE CONVENING OF A REGULAR**
4 **SESSION OF THE LEGISLATURE.** The legislature may, by a majority vote
5 of the members elected to and serving in each house, waive the
6 notice and permit increases in rates of compensation to be
7 effective at a time other than the start of a ~~fiscal~~ year **IN A**
8 **FISCAL PERIOD.** Within 60 calendar days following such transmission,
9 the legislature may, by a two-thirds vote of the members elected to
10 and serving in each house, reject or reduce increases in rates of
11 compensation authorized by the commission. Any reduction ordered by
12 the legislature shall apply uniformly to all classes of employees
13 affected by the increases and shall not adjust pay differentials
14 already established by the civil service commission. The
15 legislature may not reduce rates of compensation below those in
16 effect at the time of the transmission of increases authorized by
17 the commission.

18 The appointing authorities may create or abolish positions for
19 reasons of administrative efficiency without the approval of the
20 commission. Positions shall not be created nor abolished except for
21 reasons of administrative efficiency. Any employee considering
22 himself aggrieved by the abolition or creation of a position shall
23 have a right of appeal to the commission through established
24 grievance procedures.

25 The civil service commission shall recommend to the governor
26 and to the legislature rates of compensation for all appointed
27 positions within the executive department not a part of the

1 classified service.

2 To enable the commission to exercise its powers, the
3 legislature shall appropriate to the commission for the ensuing
4 fiscal ~~year~~**PERIOD** a sum not less than one percent of the aggregate
5 payroll of the classified service for the preceding fiscal ~~year~~,
6 **PERIOD**, as certified by the commission. Within six months after the
7 conclusion of each fiscal ~~year~~**PERIOD** the commission shall return
8 to the state treasury all moneys unexpended for that fiscal
9 ~~year~~**PERIOD**.

10 The commission shall furnish reports of expenditures, at least
11 annually, to the governor and the legislature and shall be subject
12 to annual audit as provided by law.

13 No payment for personal services shall be made or authorized
14 until the provisions of this constitution pertaining to civil
15 service have been complied with in every particular. Violation of
16 any of the provisions hereof may be restrained or observance
17 compelled by injunctive or mandamus proceedings brought by any
18 citizen of the state.

19 Resolved further, That the foregoing amendment shall be
20 submitted to the people of the state at a special election to be
21 held at the same time as the 2010 August regular election in the
22 manner provided by law.

23 Resolved further, That it is the intent of the legislature
24 that when submitted to the people, the amendment shall be presented
25 with the following question:

26 "A PROPOSAL TO REQUIRE LEGISLATIVE FISCAL IMPACT NOTES, PAY-AS-YOU-
27 GO BUDGETING, 2-YEAR BUDGET CYCLES, TIMELY COMPLETION OF STATE

1 BUDGET, REVIEW OF TAX EXPENDITURES, AND TO EXTEND ITEM VETO TO TAX
2 EXPENDITURES

3 The proposed constitutional amendment would:

4 1. Prohibit legislative consideration of bill until nonpartisan
5 agency reports on fiscal impact of bill on citizens, businesses,
6 and governmental entities.

7 2. Require reduced spending or increased revenue before any bill
8 negatively impacting state revenue becomes law.

9 3. Mandate 2-year budget cycle for state government.

10 4. Forfeit salary of legislators, governor, and lieutenant
11 governor for each day after June 30 that state budget not completed
12 by legislature.

13 5. Require executive report and legislative review of all tax
14 expenditures every 2 years.

15 6. Allow governor to use item veto to disapprove tax expenditures
16 in legislation.

17 Should this proposal be adopted?

18 YES []

19 NO []".