

Reps. Knollenberg, Ball, Crawford, Daley, DeShazor, Haines, Horn, Kowall, Kurtz, Lund, Marleau, McMillin, Rogers and Tyler offered the following resolution:

House Resolution No. 197.

A resolution calling for the state to adopt a three-year budget with a five-year outlook.

Whereas, One of the key issues facing a legislature is how to most effectively organize the budget process. A number of elements go into deciding the approach a state should use in addressing budgetary issues, organizing and implementing the process, such as constitutional, statutory, and legislative rules, as well as standard operating procedures. One of the key components is the period of time for which the budget is effective; and

Whereas, The American states have tried various approaches in organizing their budget process. Individual states have utilized annual or biennial budgets at one time or another. In a state like Michigan, which has faced economic stress over the past half decade and has faced difficult decisions over raising revenues, it is incumbent upon the legislature to examine different approaches to get a better outlook on reviewing and evaluating state programs; and

Whereas, Various approaches can be looked at in trying to better adapt to the changing conditions Michigan faces. Recently, House Concurrent Resolution No. 15 was introduced to express support for the concept of preparing biennial state budgets. However, other approaches are being utilized. An approach which deserves serious attention is the "triennial budget" approach utilized by Oakland County; and

Whereas, The objectives of the Oakland County triennial budget approach is to gain more advanced notice, better long-term planning, and greater opportunities to react before a crisis arises. The Oakland County approach is characterized by the following features: incorporates a long-term perspective; establishes linkages to broad organizational goals; focuses budget decisions on results and outcomes; involves and promotes effective communication with stakeholders; and provides incentives to government management and employees; and

Whereas, For a good part of this decade, Michigan has experienced historical job losses and a downward economic spiral. The loss in revenues for the State of Michigan and for local governments has increased the need for a budget approach which allows both the state government and local governments to better plan for uncertain economic downturns and in context of a long-term perspective. The triennial budget approach consists of a budget for the first year with the second and third year as budget plans which are line-itemed and balanced based on projections. The county also prepares quarterly public accounting summaries and adjusts the budget accordingly based on those accounting reports; now, therefore, be it

Resolved by the House of Representatives, That we call for the state to adopt a three-year budget with a five-year outlook; and be it further

Resolved, That copies of this resolution be transmitted to the Speaker of the House of Representatives, the Chair of the House Appropriations Committee, the Senate Majority Leader, the Chair of the Senate Appropriations Committee, the Governor, and the State Budget Director.