

HOUSE JOINT RESOLUTION E

January 13, 2011, Introduced by Reps. Knollenberg, Farrington, Walsh, MacMaster, Ouimet and McMillin and referred to the Committee on Appropriations.

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 31 of article IV and section 18 of article V, to change the fiscal year, to require three revenue estimating conferences, to require that certain state budget bills be presented to the governor on or before a certain date, to limit the budget, and to require certain deposits into certain state funds.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to change the fiscal year, to require three revenue estimating conferences, to require that certain state

budget bills be presented to the governor on or before a certain date, to limit the budget, and to require certain deposits into certain state funds, is proposed, agreed to, and submitted to the people of the state:

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ARTICLE IV

Sec. 31. The general appropriation bills for the succeeding fiscal period covering items set forth in the budget shall be passed or rejected in either house of the legislature before that house passes any appropriation bill for items not in the budget except bills supplementing appropriations for the current fiscal year's operation. Any bill requiring an appropriation to carry out its purpose shall be considered an appropriation bill. One of the general appropriation bills as passed by the legislature shall contain an itemized statement of estimated revenue by major source in each operating fund for the ensuing fiscal period, the total of which shall not be less than the total of all appropriations made from each fund in the general appropriation bills as passed. **A REVENUE ESTIMATING CONFERENCE SHALL BE HELD IN THE SECOND WEEK OF JANUARY, THE LAST WEEK OF MAY, AND THE LAST WEEK OF SEPTEMBER OF EACH YEAR. THE CONFERENCE SHALL ESTABLISH AN OFFICIAL ECONOMIC FORECAST OF MAJOR VARIABLES OF THE NATIONAL AND STATE ECONOMIES AND ESTABLISH A FORECAST OF ANTICIPATED STATE REVENUES. FOR THE 2011-2012 FISCAL YEAR, THE FISCAL YEAR OF THE STATE SHALL COMMENCE OCTOBER 1 AND CONTINUE THROUGH JUNE 30. FOR THE 2012-2013 FISCAL YEAR AND FOR EACH FISCAL YEAR THEREAFTER, THE FISCAL YEAR OF THE STATE SHALL COMMENCE JULY 1 AND CONTINUE THROUGH JUNE 30. BEGINNING IN 2013, THE LEGISLATURE SHALL PRESENT ALL GENERAL APPROPRIATION**

1 BILLS FOR THE SUCCEEDING TWO FISCAL PERIODS TO THE GOVERNOR ON OR
2 BEFORE JULY 1 OF EACH ODD YEAR. THE LEGISLATURE SHALL NOT PASS
3 GENERAL APPROPRIATION BILLS THAT EXCEED THE SUM OF 96% OF THE
4 ESTIMATED STATE REVENUE FOR THE FISCAL PERIOD, AS DETERMINED BY THE
5 REVENUE ESTIMATING CONFERENCE IMMEDIATELY PRECEDING THE PASSAGE OF
6 THOSE BILLS, PLUS REVENUE ENHANCEMENTS. IF THE ACTUAL REVENUE
7 RECEIVED IN THE FISCAL PERIOD EXCEEDS 96% OF THE ESTIMATED STATE
8 REVENUE AS DETERMINED BY THE REVENUE ESTIMATING CONFERENCE
9 IMMEDIATELY PRECEDING PASSAGE OF THOSE GENERAL APPROPRIATION BILLS,
10 THE ADDITIONAL REVENUE NOT TO EXCEED THE DIFFERENCE BETWEEN 96% OF
11 THE ESTIMATED STATE REVENUE AND 100% OF THE ESTIMATED STATE REVENUE
12 SHALL BE DEPOSITED IN THE COUNTERCYCLICAL BUDGET AND ECONOMIC
13 STABILIZATION FUND AND MAY BE APPROPRIATED BY A CONCURRENCE OF A
14 MAJORITY OF THE MEMBERS ELECTED TO AND SERVING IN EACH HOUSE OF THE
15 LEGISLATURE AS PROVIDED BY LAW. IF THE ACTUAL REVENUE RECEIVED IN
16 THE FISCAL PERIOD EXCEEDS THE ESTIMATED STATE REVENUE AS DETERMINED
17 BY THE REVENUE ESTIMATING CONFERENCE HELD IMMEDIATELY PRECEDING
18 PASSAGE OF THOSE GENERAL APPROPRIATION BILLS, THE ADDITIONAL
19 REVENUE SHALL BE DEPOSITED IN THE COUNTERCYCLICAL BUDGET AND
20 ECONOMIC STABILIZATION FUND AS PROVIDED BY LAW. AS USED IN THIS
21 SECTION, "ESTIMATED STATE REVENUE" MEANS THE ESTIMATED AMOUNT OF
22 GENERAL PURPOSE GENERAL FUND REVENUE AND STATE SCHOOL AID FUND
23 REVENUE AVAILABLE FOR APPROPRIATION FOR THE FISCAL YEAR. AS USED IN
24 THIS SECTION, "REVENUE ENHANCEMENTS" MEANS ADDITIONAL STATE
25 REVENUES NOT CONTAINED IN THE GOVERNOR'S PROPOSED BUDGET THAT ARE
26 ENACTED INTO LAW OR ARE RECEIVED FROM THE FEDERAL GOVERNMENT OR ANY
27 OTHER SOURCE, IN THAT FISCAL YEAR.

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ARTICLE V

Sec. 18. The governor shall submit to the legislature at a time fixed by law, a budget for the ensuing fiscal period setting forth in detail, for all operating funds, the proposed expenditures and estimated revenue of the state. Proposed expenditures from any fund shall not exceed the estimated revenue thereof. On the same date, the governor shall submit to the legislature general appropriation bills to embody the proposed expenditures and any necessary bill or bills to provide new or additional revenues to meet proposed expenditures. **THE GOVERNOR'S PROPOSED BUDGET SHALL NOT EXCEED THE AMOUNT THAT MAY BE PASSED IN GENERAL APPROPRIATION BILLS BY THE LEGISLATURE UNDER SECTION 31 OF ARTICLE IV, EXCLUDING REVENUE ENHANCEMENTS AS PROVIDED UNDER SECTION 31 OF ARTICLE IV.**

The amount of any surplus created or deficit incurred in any fund during the last preceding fiscal period shall be entered as an item in the budget and in one of the appropriation bills. The governor may submit amendments to appropriation bills to be offered in either house during consideration of the bill by that house, and shall submit bills to meet deficiencies in current appropriations.

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