

SENATE CONCURRENT RESOLUTION NO.22

Senators Stamas, Victory, MacDonald, Outman, Zorn, Bizon, Bumstead, Daley, LaSata, Lauwers, Horn, Barrett, Runestad, VanderWall, Johnson, Nesbitt, Lucido, Shirkey, Theis, Schmidt, MacGregor and McBroom offered the following concurrent resolution:

1 A concurrent resolution calling for the responsible use of the
2 state's transportation bonding authority and to state the
3 Legislature's intent regarding future debt service payments.

4 Whereas, Article IX, Section 9 of the *Constitution of the*
5 *State of Michigan of 1963* grants authority to the Legislature to
6 authorize the issuance of transportation bonds against
7 constitutionally protected revenue designated for usage by the
8 state. To facilitate the issuance of bonds, the Legislature,
9 through statute, has authorized the State Transportation Commission
10 to issue transportation bonds; and

11 Whereas, The State Transportation Commission is a

1 constitutionally established body appointed by the Governor,
2 subject to the advice and consent of the Senate. This body, not the
3 Governor, is tasked with determining policy for the department,
4 including, but not limited to, the financing mechanisms utilized by
5 the department; and

6 Whereas, Neither the state constitution nor state law
7 authorizes the Governor to issue transportation bonds; and

8 Whereas, The state of Michigan continues to make annual debt
9 payments on transportation bonds first issued over 25 years ago,
10 diminishing available funds for annual road projects; and

11 Whereas, With the issuance of new bonds, there could be even
12 less available funding for state roads than there is today, due to
13 30 more years of annual debt payments to service the new bonds;
14 now, therefore, be it

15 Resolved by the Senate (the House of Representatives
16 concurring), That we call for the responsible use of the state's
17 transportation bonding authority; and be it further

18 Resolved, That it is the intent of the Legislature that the
19 total amount of bonds and notes issued pursuant to MCL 247.668b for
20 transportation purposes, described in the second paragraph of
21 Article IX, Section 9 of the *Constitution of the State of Michigan*
22 *of 1963*, shall not exceed an amount as will be serviced as to the
23 maximum principal and interest requirements by a sum equal to 15%
24 of the total of the amount of money received from taxes, the use of
25 which is restricted by Article IX, Section 9, and which is
26 deposited in the state treasury to the credit of the State Trunk
27 Line Fund during the state fiscal year immediately preceding the
28 issuance of the bonds or notes, unless the growth rate of taxes
29 exceeds 25% from the previous fiscal year; and be it further

1 Resolved, That it is the intent of the Legislature not to
2 increase future debt service appropriations above the levels
3 authorized for Fiscal Year 2019-2020; and be it further

4 Resolved, That it is the intent of the Legislature not to
5 authorize appropriations for debt service payments for bonds longer
6 than 10 years; and be it further

7 Resolved, That we urge the State Transportation Commission to
8 provide a copy of this resolution to all individuals and entities
9 who seek to purchase transportation bonds; and be it further

10 Resolved, That copies of this resolution be transmitted to the
11 members of the State Transportation Commission, the Director of the
12 Michigan Department of Transportation, and the Governor.