

# HOUSE JOINT RESOLUTION T

April 29, 1997, Introduced by Reps. Lowe, Llewellyn, Whyman, Cropsey, Horton, Jaye, Nye, Kaza, Bodem, Sikkema, Dobb, Byl and Perricone and referred to the Committee on Transportation.

A joint resolution proposing an amendment to the state constitution of 1963, by amending sections 9 and 11 of article IX, to provide for the earmarking of 100% of the sales and use taxes on motor vehicle and aircraft fuels for transportation purposes.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to provide for the earmarking of 100% of the sales and use taxes on motor vehicle and aircraft fuels for transportation purposes, is proposed, agreed to, and submitted to the people of the state:

## ARTICLE IX

Sec. 9. All specific taxes, except general sales and use taxes and regulatory fees, imposed directly or indirectly ~~on fuels sold or used to propel motor vehicles upon highways and to propel aircraft and~~ on registered motor vehicles and aircraft

1 shall, after the payment of necessary collection expenses, be  
2 used exclusively for transportation purposes as set forth in this  
3 section.

4 Not less than 90 percent of the specific taxes, except gen-  
5 eral sales and use taxes and regulatory fees, imposed directly or  
6 indirectly ~~on fuels sold or used to propel motor vehicles upon~~  
7 ~~highways and~~ on registered motor vehicles shall, after the pay-  
8 ment of necessary collection expenses, be used exclusively for  
9 the transportation purposes of planning, administering, con-  
10 structing, reconstructing, financing, and maintaining state,  
11 county, city, and village roads, streets, and bridges designed  
12 primarily for the use of motor vehicles using tires, and reason-  
13 able appurtenances to those state, county, city, and village  
14 roads, streets, and bridges.

15 The balance, if any, of the specific taxes, except general  
16 sales and use taxes and regulatory fees, imposed directly or  
17 indirectly ~~on fuels sold or used to propel motor vehicles upon~~  
18 ~~highways and~~ on registered motor vehicles, after the payment of  
19 necessary collection expenses; 100 percent of the specific taxes,  
20 except general sales and use taxes and regulatory fees, imposed  
21 directly or indirectly on ~~fuels sold or used to propel aircraft~~  
22 ~~and on~~ registered aircraft, after the payment of necessary col-  
23 lection expenses; and not more than 25 percent of the general  
24 sales taxes, imposed directly or indirectly on ~~fuels sold to~~  
25 ~~propel motor vehicles upon highways, on the sale of motor vehi-~~  
26 ~~cles, and on~~ the sale of the parts and accessories of motor  
27 vehicles, after the payment of necessary collection expenses;

1 shall be used exclusively for the transportation purposes of  
2 comprehensive transportation purposes as defined by law.

3 NOT LESS THAN 90 PERCENT OF THE SPECIFIC TAXES, INCLUDING  
4 GENERAL SALES AND USE TAXES IMPOSED AT A RATE OF 4 PERCENT BUT  
5 EXCLUDING REGULATORY FEES, IMPOSED DIRECTLY OR INDIRECTLY ON  
6 FUELS SOLD OR USED TO PROPEL MOTOR VEHICLES UPON HIGHWAYS AND TO  
7 PROPEL AIRCRAFT, AFTER THE PAYMENT OF NECESSARY COLLECTION  
8 EXPENSES, SHALL BE USED EXCLUSIVELY FOR THE TRANSPORTATION PUR-  
9 POSES OF PLANNING, ADMINISTERING, CONSTRUCTING, RECONSTRUCTING,  
10 FINANCING, AND MAINTAINING STATE, COUNTY, CITY, AND VILLAGE  
11 ROADS, STREETS, AND BRIDGES DESIGNED PRIMARILY FOR THE USE OF  
12 MOTOR VEHICLES USING TIRES, AND REASONABLE APPURTENANCES TO THOSE  
13 STATE, COUNTY, CITY AND VILLAGE ROADS, STREETS, AND BRIDGES. THE  
14 BALANCE, IF ANY, OF THOSE SPECIFIC TAXES SHALL BE USED EXCLU-  
15 SIVELY FOR THE TRANSPORTATION PURPOSES OF COMPREHENSIVE TRANSPOR-  
16 TATION PURPOSES AS DEFINED BY LAW.

17 The legislature may authorize the incurrence of indebtedness  
18 and the issuance of obligations pledging the taxes allocated or  
19 authorized to be allocated by this section, which obligations  
20 shall not be construed to be evidences of state indebtedness  
21 under this constitution.

22 Sec. 11. There shall be established a state school aid fund  
23 which shall be used exclusively for aid to school districts,  
24 higher education, and school employees' retirement systems, as  
25 provided by law. Sixty percent of all taxes imposed at a rate of  
26 4% on retailers on taxable sales at retail of tangible personal  
27 property EXCEPT FOR THE ALLOCATION UNDER SECTION 9, 100% of the

1 proceeds of the sales and use taxes imposed at the additional  
2 rate of 2% provided for in section 8 of this article, and other  
3 tax revenues provided by law, shall be dedicated to this fund.  
4 Payments from this fund shall be made in full on a scheduled  
5 basis, as provided by law. Beginning in the 1995-96 state fiscal  
6 year and each state fiscal year after 1995-96, the state shall  
7 guarantee that the total state and local per pupil revenue for  
8 school operating purposes for each local school district shall  
9 not be less than the 1994-95 total state and local per pupil rev-  
10 enue for school operating purposes for that local school dis-  
11 trict, as adjusted for consolidations, annexations, or other  
12 boundary changes. However, this guarantee does not apply in a  
13 year in which the local school district levies a millage rate for  
14 school district operating purposes less than it levied in 1994.  
15       Resolved further, That the foregoing amendment shall be sub-  
16 mitted to the people of the state at the next general election in  
17 the manner provided by law.