

Rep. Meisner offered the following concurrent resolution:

House Concurrent Resolution No. 47.

A concurrent resolution to create a tax expenditure joint study committee to make recommendations on the effectiveness and cost of tax expenditures in Michigan.

Whereas, Michigan will forego \$27 billion in state revenue for fiscal year 2003-2004 as a result of preferential provisions such as exclusions, deductions, exemptions, credits, deferrals, or lower tax rates, also known as tax expenditures; and

Whereas, Michigan has recently addressed serious budget difficulties, which required the state to resolve more than a \$2.62 billion shortfall for fiscal year 2003-2004. Projections for the future include another major imbalance developing for the next fiscal year; and

Whereas, Many tax expenditures support the values of Michigan, make the basic needs of Michiganders more affordable, and help support economic growth and jobs in the state; and

Whereas, A detailed study of the effectiveness of each tax expenditure has not been undertaken during the recent budget crisis; and

Whereas, Many tax expenditures may not provide the job creation and positive economic impact originally intended. It is important to ensure that tax policies achieve economic development goals for the benefit of all Michigan citizens when balanced against the loss of revenues and state services; now therefore, be it

Resolved by the House of Representatives (the Senate concurring), That we establish the Tax Expenditure Joint Study Committee. The joint committee shall be comprised of the following membership:

- Three members of the Senate, with two appointed by the Senate Majority Leader and one appointed by the Senate Minority Leader;

- Three members of the House, with two appointed by the Speaker of the House and one appointed by the House Minority Leader;

- A member of the organized labor community appointed jointly by the legislators appointed to the Tax Expenditure Joint Study Committee;

- A member of the business community appointed jointly by the legislators appointed to the Tax Expenditure Joint Study Committee;

- A representative of the State Treasurer;

- A representative of the Director of the Department of Labor and Economic Growth; and

- A representative of the Director of the Department of Management and Budget.

The tax expenditure joint study committee shall explore the effectiveness of tax expenditures, study their relevance in today's economy and the goals of state government, and recommend the elimination, modification, or preservation of each of the individual tax expenditures currently in existence; and be it further

Resolved, That the tax expenditure joint study committee shall make recommendations to the Michigan Legislature not later than June 1, 2004; and be it further

Resolved, That the joint committee is hereby authorized to expend a maximum amount of \$5,000 in carrying out its duties and such additional expenditures deemed necessary and approved by the Senate Majority Leader and the Speaker of the House. Payment for contractual services may be authorized by the Senate Majority Leader and the Speaker of the House.