

Reps. Vander Veen, Amos, Moolenaar, Stahl, Caul, Hune, Nofs, Taub, Mortimer, Ehardt, Voorhees, Palmer, Huizenga, Ruth Johnson, Brandenburg, Wenke, Emmons, Farhat, Acciavatti, Stakoe, Kooiman, Garfield, Koetje, Meyer, Shaffer and Caswell offered the following resolution:

**House Resolution No. 325.**

A resolution to urge the Governor to create a commission to conduct a careful, thorough study of Michigan's budget structure to identify and address imbalances.

Whereas, The structure of the budget for state government in Michigan, like the revenue and expenditure of any large entity, faces challenges from changes that are constantly taking place. The Michigan economy we know today, for example, is far different from what was in place a generation or two ago. The rapid shift to the global marketplace and advances in technology are transforming Michigan's economy along with the lives of our citizens and businesses; and

Whereas, Over the past few budgetary cycles in Michigan, it is increasingly clear that the way Michigan finances its services and operations is threatened. Even as the economy has begun its recovery, the state has had to grapple with massive shortfalls in revenues. Many observers feel that this may reflect a fundamental and permanent imbalance rather than a temporary situation. The shift from manufacturing to a service economy is often cited as a central cause for the reduction in overall tax revenues. Our state's gradual move to eliminate the Single Business Tax also is a consideration that argues for an examination of our overall tax structure; and

Whereas, The state would benefit from the establishment of a commission to study the imbalances that likely exist in our budget structure. A commission studying this needs to include those who represent the key sectors of our economy, including representatives of township, county, and city governments, representatives of the business community and manufacturing, legislators, and executive branch budget officials; and

Whereas, A comprehensive look at how our state crafts its budget and finances the people's business is clearly in order as we adjust to the new realities of the 21<sup>st</sup> century. A thorough and deliberative approach will serve our citizens far better than ad hoc decisions with regard to specific taxes and expenditures; now, therefore, be it

Resolved by the House of Representatives, That we urge the Governor to create a commission to conduct a careful, thorough study of Michigan's budget structure to identify and address imbalances. We urge that this commission include legislators, administration budget officials and representatives of the Chamber of Commerce, the Michigan affiliate of the National Federation of Independent Businesses, the Michigan Manufacturing Association, and township, county, and city government; and be it further

Resolved, That copies of this resolution be transmitted to the office of the Governor.