

SUBSTITUTE FOR
SENATE JOINT RESOLUTION C

A joint resolution proposing an amendment to the state constitution of 1963, by amending section 15 of article IX, to authorize the issuance of general obligation bonds and to finance the creation of new jobs in this state.

Resolved by the Senate and House of Representatives of the state of Michigan, That the following amendment to the state constitution of 1963, to authorize the issuance of general obligation bonds and to finance the creation of new jobs in this state, is proposed, agreed to, and submitted to the people of the state:

ARTICLE IX

Sec. 15. (1) ~~The~~ **EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION**
(2), **THE** state may borrow money for specific purposes in amounts as

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may be provided by acts of the legislature adopted by a vote of two-thirds of the members elected to and serving in each house, and approved by a majority of the electors voting thereon at any general election. The question submitted to the electors shall state the amount to be borrowed, the specific purpose to which the funds shall be devoted, and the method of repayment.

(2) <<THE JOBS FOR MICHIGAN FUND IS AUTHORIZED TO ENGAGE IN ACTIVITIES TO DIVERSIFY THE ECONOMY AND ENCOURAGE ECONOMIC JOB CREATION IN THIS STATE BASED ON RECOMMENDATIONS FROM BUSINESS AND TECHNOLOGY EXPERTS.>> THIS STATE SHALL BE AUTHORIZED TO BORROW A SUM NOT TO

EXCEED \$1,000,000,000.00 AND SHALL ISSUE THE GENERAL OBLIGATION

BONDS OF THIS STATE, PLEDGING THE FULL FAITH AND CREDIT OF THIS

STATE FOR THE PAYMENT OF PRINCIPAL AND INTEREST ON THE BONDS AS

PROVIDED BY LAW. THE JOBS FOR MICHIGAN BOND FUND IS ESTABLISHED.

THE PROCEEDS OF THE BONDS AUTHORIZED UNDER THIS SUBSECTION SHALL BE

DEPOSITED IN THE JOBS FOR MICHIGAN BOND FUND AND SHALL BE EXPENDED <<BY THE JOBS FOR MICHIGAN FUND>>

TO <<DIVERSIFY THE ECONOMY AND ENCOURAGE JOB CREATION

>> IN THIS STATE, AS PROVIDED BY LAW.

THE LEGISLATURE SHALL PROVIDE BY LAW FOR THE ESTABLISHMENT OF

THE STRATEGIC ECONOMIC INVESTMENT <<BOARD TO DETERMINE THE EXPENDITURE BY

THE JOBS FOR MICHIGAN FUND OF THE PROCEEDS OF BONDS AUTHORIZED UNDER THIS

SUBSECTION. >> THE

ASSENT OF A MAJORITY OF THE MEMBERS ELECTED TO AND SERVING IN EACH

HOUSE OF THE LEGISLATURE SHALL BE REQUIRED FOR THE APPROPRIATION OF

THE PROCEEDS OF BONDS DEPOSITED IN THE JOBS FOR MICHIGAN BOND FUND

FOR PURPOSES AUTHORIZED BY LAW.

THE JOBS FOR MICHIGAN BOND FUND AND THE STRATEGIC ECONOMIC

INVESTMENT BOARD SHALL BE SUBJECT TO AN ANNUAL INDEPENDENT AUDIT

CONDUCTED BY THE AUDITOR GENERAL INCLUDING A POST AUDIT OF

FINANCIAL TRANSACTIONS AND ACCOUNTS OF THE JOBS FOR MICHIGAN BOND

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FUND AND THE STRATEGIC ECONOMIC INVESTMENT BOARD AND A PERFORMANCE

POST AUDIT THEREOF AS AUTHORIZED UNDER SECTION 53 OF ARTICLE IV. <<THE RESULTS OF THE AUDIT SHALL BE MADE AVAILABLE TO THE PUBLIC AS PROVIDED BY LAW.

THE JOBS FOR MICHIGAN FUND AND THE STRATEGIC ECONOMIC INVESTMENT BOARD SHALL NOT BE AUTHORIZED BY LAW TO IMPOSE OR INCREASE ANY TAX.>>

THE ACTIVITIES AUTHORIZED UNDER THIS SUBSECTION RESULTING IN

THE GRANTING OF THE CREDIT OF THIS STATE TO, OR IN AID OF, ANY

PERSON, ASSOCIATION, OR CORPORATION, PUBLIC OR PRIVATE, ARE

AUTHORIZED.

<<THE ACTIVITIES AUTHORIZED UNDER THIS SUBSECTION SHALL BE KNOWN AS THE JOBS FOR MICHIGAN PROGRAM.>>

THE LEGISLATURE SHALL PROVIDE BY LAW FOR THE ISSUANCE OF THE

BONDS AND FOR THE IMPLEMENTATION OF THIS SUBSECTION.

Resolved further, That the foregoing amendment shall be submitted to the people of the state at a special election to be held on November 8, 2005 in the manner provided by law.

<<Resolved further, That it is the intent of the legislature that when submitted to the people the amendment shall be presented with the following question:

A PROPOSAL TO AMEND THE STATE CONSTITUTION TO AUTHORIZE BONDS TO DIVERSIFY THE ECONOMY AND ENCOURAGE JOB CREATION IN MICHIGAN

The proposed constitutional amendment would:

- Authorize the Jobs for Michigan Program to diversify the economy and encourage job creation in Michigan based on recommendations from business and technology experts.
- Authorize State of Michigan to issue general obligation bonds up to \$1 billion to finance the program, pledging the state's full faith and credit for principal and interest repayment.
- Establish a dedicated fund for bond proceeds with appropriation of proceeds by majority vote of legislature and expenditure authorization by an oversight board.
- Require annual independent public audit of Program.
- Prohibit a Jobs for Michigan Program board from imposing or increasing taxes.

Should this proposal be adopted?

YES []

NO [].>>