

INITIATIVE PETITION AMENDMENT TO THE CONSTITUTION

A petition to add Section 30 of Article V of the Constitution of the State of Michigan, creating a State Power Authority.

THE PROPOSED AMENDMENT, IF ADOPTED, WOULD READ AS FOLLOWS:

ARTICLE V

Section 30. There is hereby created a State Power Authority which shall acquire and operate the investor owned gas and electric utilities in the State.

The State Power Authority shall be governed by a five member board who shall be nominated by party conventions and elected at large for terms of four years. The first election of board members shall be in November 1978. In 1978 each political party may nominate five candidates for election to board membership, three for four year terms and two for two year terms. In each subsequent regular state general election each political party may nominate candidates as the terms of the initial board members expire. Terms for elected board members shall commence on the first day of January immediately following their election at the November election. The governor shall fill any vacancy by appointment for the unexpired term. Each appointee shall hold office until a successor has been nominated and elected as provided by law. As an interim measure the governor with the consent of both houses of the legislature shall appoint five members to serve as the board until the inauguration of the first duly elected members on January 1, 1979.

Members of the board shall serve as full-time officers of the State Power Authority. Salaries and expense allowances of the board members shall be determined by the state officers compensation commission in the same manner as that used to determine the salaries and expense allowances of the members of the legislature, the governor, the lieutenant governor and the justices of the supreme court. No board member shall be interested directly or indirectly in any contract with the state or any political subdivision thereof which shall cause a conflict of interest. No board member shall have other employment, or receive other compensation or remuneration for services rendered during their membership on the board.

The Authority shall acquire by purchase or condemnation said utilities by January 1, 1979.

The Authority shall hire an executive director and subordinate staff to acquire and operate said utilities.

The executive director shall be a person with a record of competent service for public utility agencies as attested to by the recommendation of the American Public Power Association.

The Authority shall have the power to issue revenue bonds for the purpose of paying the cost of acquisition and the capital expansion of said utilities. Principal and interest and redemption premiums on said bonds shall be payable solely from the revenues of the Authority. All costs of operating said utilities shall be paid for solely from revenues generated therein.

The Authority shall have the power to enter into collective bargaining agreements with utility employees. The employees of the State Power Authority shall have the right to strike.

The Authority shall operate under the principle of affirmative action in the hiring and promotion of women and minorities.

The Authority as a non-profit public corporation shall pay no taxes on either the revenue generated from the operation of said utilities or property held therein. The Authority shall make payments in lieu of taxes to the general fund of the state and applicable units of government of an amount not less than would be paid on the income, property and consumption of said utilities.

The Authority shall establish a uniform rate per kilowatt hour or cubic foot as the sole charge for electricity or gas respectively for each of the existing service areas of the investor owned gas and electric utilities. The rate for each service area shall be based on the actual cost of supplying either gas or electricity. This uniform rate may be differentiated according to peak hours usage. In order to guarantee that no customer shall be denied utility service because of the inability to pay for said service at the uniform rate, the Authority shall establish a secondary low-rate for gas and electricity to low income residential consumers.

The State Utility Authority shall be operated and maintained to provide safe, reliable and efficient service to the maximum benefit of the people of Michigan. This language is to be liberally construed and interpreted as to its scope and coverage to this effect. The legislature shall further implement the provisions of this section by appropriate legislation.

WHAT THIS PETITION WILL DO:

- Create a State Power Authority to buy and operate the investor owned gas and electric utilities of Michigan.
- Set up a five-member elected board to govern the Power Authority, bringing utility and energy decisions before the public at election time.
- Give the residential consumer immediate rate relief by eliminating the present inequitable utility rate structure which favors giant industrial users.
- Preserve the right of utility employees to strike.

Michigan needs Public Power
HUMAN RIGHTS PARTY

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