

**GRAND VALLEY METROPOLITAN COUNCIL
LEGISLATIVE COMMITTEE MEETING**

**December 8, 2004
8:30 a.m.**

40 Pearl St. NW Ste. 410
Grand Rapids, MI 49503

MINUTES

1. Call To Order

The meeting was called to order at 8:35 by Chairman Ted Vonk.

Present:

Jim Day	Kent County
Mike DeVries	Grand Rapids Township
Don Hilton	Gaines Township
Barbara Holt	City of Walker
Pauline Luben	City of Hudsonville
Priscilla Martin	Grand Valley Metro Council
Jim Miedema	Jamestown Township
Deborah Nier	City of Wayland
Rick Root	City of Kentwood
Don Stypula	Grand Valley Metro Council
Ted Vonk	Kent County

2. Approval of Minutes

MOTION by Day, **SUPPORT** by Miedema, to approve the minutes of the October, 2004 GVMC Legislative Committee meeting. **MOTION CARRIED.**

3. Wrap-up of the lame duck legislative session.

Stypula reported that there is another \$256 million hole in this year's (FY 2004-2005) General Fund budget and another new \$113 million deficit in the School Aid Fund. Stypula stated that this happened because there is a lack of economic growth which leads to declines in income tax revenue, state sales tax, and single business tax. Also, legislation is still being passed that is spending money that the state does not have.

Stypula informed the committee that the School Aid funding will be fully restored via a transfer from the state General Fund. This means the general fund account will be short by \$370 million and a likely target to make up a portion of that shortfall is statutory

revenue sharing to cities, townships and villages.

Stypula noted that a major problem with local government lobbying is that we don't have unanimity on this issue.

DeVries remarked that Medicaid is what is currently killing the state's general fund revenues. He continued by noting that we have to partner with the work of Senator Ken Sikkema to change the way that state government sets budget priorities and finalizes appropriations decisions. Stypula announced that Ken Sikkema would be speaking on these issues at the January 20th Legislative dinner.

4. Look ahead to 2005 Legislative Session

Don Stypula distributed handouts included a draft Citizens Research Council (CRC) Survey and a map of the survey areas. They have received full funding (\$160,000) and will be distributing the surveys in early January. The survey deals with what services county and local governments provide and if and how they are sharing these services with neighboring units. A second survey will go out in February regarding local government finances and how local units pay for things at a local and county level.

These two surveys will combine and make a report to the Governor and Legislators. Stypula stated that he predicts that there will be incentive packages and/or mandates to share services between units.

Rick Root stated that we all currently look around at our boundaries. The big question is if mandating sharing services will be beneficial and cost effective? These services might in fact become weaker by spreading them out. The challenges will be huge with this – what can everyone bring to the table? Incentives would have to make it worthwhile. Root also noted that eliminating staff would be difficult, and that voters would need to be educated this.

Vonk stated that sharing services might not be cheaper than what we are doing now. DeVries pointed out that sharing services might be beneficial in the long run but more costly in the beginning.

Stypula informed the committee that there have been Lansing rumors regarding whether there is a need for all of the Townships, Cities, and Villages in Michigan. There is some talk, he reports, about consolidating the governmental functions exercised by certain townships under counties.

5. GVMC 2005-2006 Legislative and Congressional Priorities

Discussion on potential issues for 2005 - 2006 legislative priorities produced the

following suggestions:

- Financing
 - State budget priorities
 - MTT issues
 - Local option taxes
 - Bolt v. Lansing “Fix”
 - Headlee Rollback
 - Proposal A issue
- Unfunded mandates
- Health Care Issues
- Incentives for local government cooperation
 - Union dynamics
- Land Use
- Policies enforcing value in local government
- Mobile homes
 - Regulations
 - Financing
- Consolidation of local units
- Recall
- Annexation/detachment

The Committee agreed to continue developing and the list at the next meeting.

6. The outlook in the U.S. Congress for 2005

The number-one priority for us in the next Congressional session is the successful passage of a new bill to reauthorize for another six years the TEA-21 federal transportation funding law.

7. Municipal Finance Task Force – Where is it?

Don Stypula noted that he has heard nothing new on this task force to date. The MML has developed a small workgroup to prepare for the time when a statewide local government finance task force is empanelled.

8. Other

None

9. Adjourn

Meeting adjourned at 9:50 a.m.