

**GRAND VALLEY METROPOLITAN COUNCIL  
LEGISLATIVE COMMITTEE MEETING**

**August 10, 2005  
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 a.m. by Chairman Ted Vonk.

**Present:**

Mike DeVries	Grand Rapids Township
Barb Holt	City of Walker
Tom Jayco	Grand Rapids Chamber of Commerce
Gayle McCrath	Grand Valley Metro Council
Pauline Luben	City of Hudsonville
Jim Miedema	Jamestown Township
Steven Patrick	City of Coopersville
Jared Rodriguez	Grand Rapids Chamber of Commerce
Rick Root	City of Kentwood
Don Stypula	Grand Valley Metro Council
Ted Vonk	Kent County

**2. Approval of Minutes**

**MOTION - To approve the minutes of the June, 2005, GVMC Legislative Committee meeting. MOVE – Root. SUPPORT – Hilton. MOTION CARRIED.**

**3. Update on State Budget**

Don Stypula reported State budget negotiations are continuing and are anticipated to go up to the deadline. Talking has been going on, but there is nothing to report.

Regarding the municipal finance study, this is going nowhere. The Governor asked the MML, MTA and MAC to throw in money to pay for the study. Unless these three kick in money, nothing will happen. The group has to issue a report in December and they haven't even met yet

Rick Root reported the State feels it should not pay for a study which will criticize it and say it isn't doing a good job.

Don Stypula reported that \$67 million has been transferred from the transportation fund to cover the hole in the general budget.

Barb Holt asked how much money the state is asking of the associations.

Don Stypula stated he didn't know, but he didn't see it happening soon.

**4. S 1504**

Don Stypula called John Pessel from Varnum to get his expert opinion on S 1504.

Mr. Pessel explained the bill and the problem municipalities would have with it. The phone companies are getting into the cable and broadband business, and cable is getting into the phone business. The phone companies don't want to go to each community and negotiate right of way or get approval. They want wide ranging approval which would cost Michigan communities \$100 million per year in lost compensation. Many public stations would go away or be hobbled, and the public warning system would be hobbled.

Rick Root commented on the density issue. He asked if less dense areas would be less likely to have service.

Mr. Pessel responded said that wasn't necessarily the way it would be. Providers would have discretion to do what ever they wanted, and therefore could focus only on high income users regardless of density.

**MOTION – To Take a Position in Opposition to S 1504. MOVE – Luben. SUPPORT – Miedema. MOTION CARRIED.**

**5. SAFETEA LOU**

Don Stypula reported it was a very large bill and they don't have much more information on it now. It needs analysis. The President will sign it today. He will get more information to everyone as it becomes available through e-mail and fax.

**6. Business Tax Debate**

Don Stypula reported he invited the Grand Rapids Area Chamber of Commerce to talk to the committee on this issue.

Jared Rodriguez reported the Chamber has been studying the issue and would like the Metro Council's input regarding the business tax debate. They wanted input regarding

putting an end to the personal property tax which, if eliminated, would greatly affect the revenue of local government. He wanted to hear ideas of how to replace the revenue through other means such as sales tax, increased income tax, etc.

Rick Root reported that the State's "guarantee" to dedicate money back to local government would be very unreliable. As we have seen with revenue sharing, promises made are no longer promises kept, especially with the lack of institutional memory in the legislature. Increased sales tax and writing a guarantee to earmark for local government into the constitution would be very difficult as it would have to go to a vote of the people.

Steven Patrick stated he was concerned with where the replacement money was coming from and that local government would be more removed from the source and not have control.

Mike DeVries indicated they want control over how they generate funding.

**7. Taxpayers Bill of Rights**

Don Stypula indicated he didn't have much on this; however he wanted to bring it to everyone's attention as it was an issue in Colorado. A baseline would be established for revenue which would need a vote of the people to spend if revenue exceeded it. If not, it would go back to the taxpayers in the form of a refund. He will keep everyone informed.

**8. Annex 2001**

The U.S. Governors of the Great Lakes States and Canadian Provinces are looking at the issues of an addendum to the Great Lakes Charter. It would put a limit on how much we could draw from the lakes and create regulatory requirements.

**9. Adjournment – 9:30 a.m.**