



**Grand Valley Metro Council
Legislative Committee**

Agenda

**Wednesday May 14, 2008
8:30 a.m.**

GVMC Offices 40 Pearl St., Suite 410 Grand Rapids, MI

- 1. Call to Order**
- 2. Approval of Minutes from April 9, 2008 meeting**
- 3. 2008 Great Lakes Environmental Cleanup, Restoration and Protection Bond**
 - a. Special Presentation by Steve Chester, Director, Michigan Department of Environmental Quality**
- 4. SB 1249 – Allow Counties and Municipalities to Create Storm Water Utilities**
- 5. 2009-1010 Legislative Priorities**
- 6. Other Issues**



Grand Valley Metropolitan Council

MEMORANDUM

To: GVMC Legislative Committee
From: Donald J. Stypula, Executive Director
RE: May 14, 2008 GVMC Legislative Committee
Date: May 12, 2008

Attached are the agenda and support documents for the next meeting of our **GVMC Legislative Committee** – scheduled for **8:30 AM, this Wednesday May 14, 2008 at the GVMC Offices in downtown Grand Rapids.**

This is a very important meeting this month as we discuss several major issues – one of which may wind up before voters during this November’s general election. Steve Chester, Director of the Michigan Department of Environmental Quality (DEQ) will stop by to brief us on a proposal the DEQ is discussing with legislators to place a \$1 billion + environmental cleanup and Great Lakes restoration bond before voters this fall. I also want to get your thoughts on the work we have done so far in crafting a bill – SB 1249 – that enables counties and locals to create storm water utilities. I also want to begin the process of discussing and selecting topics for our legislative priorities for the 2009-2010 legislative session.

We’ll start our meeting by reviewing and accepting the attached minutes from our April 9 2008 meeting.

2008 GREAT LAKES ENVIRONMENTAL CLEANUP, RESTORATION AND PROTECTION BOND

As noted, DEQ Director Steve Chester will join us on Wednesday to brief us on DEQ’s desire to place a \$1.3 billion Great Lakes Environmental Cleanup, Restoration and Protection Bond on the November general election ballot for voter consideration. Joint legislative resolutions to place the issue on the ballot – requiring a 2/3 vote of both legislative chambers – are being prepared. Director Chester is working to assemble a coalition of groups throughout the state to convince skeptical lawmakers and a weary electorate that a \$1.3 billion bond issue over 10 years is a good investment.

As noted in the attached materials, the bulk of the bond money (\$820 million) would be used over a ten year period to fund the on-going cleanup of contaminated properties and continue to

finance the state's best-in-the-nation brownfields redevelopment program. Another \$390 million would be spent to implement the recommendations of the Great Lakes Regional Collaborative, an international committee of elected officials that proposed specific tasks, with measurable goals, to restore water quality in the Great Lakes and its various watersheds. For your review, I have attached the executive summary from that initiative.

The rest of the bond funds – about \$90 million – would be used to address the impact of agricultural operations on water quality in the state's watersheds. GVMC's Lower Grand River Organization of Watersheds (LGROW) could potentially benefit from this concentrated investment.

FINANCIAL SPECIFICS

Assuming lawmakers place a bond proposal on the November statewide ballot, and further assuming that voters approve the proposal, the state Department of Treasury would work with financial houses on Wall Street to float the bonds over a 10 year period. This is a general obligation bond. The state would pledge its "full faith and credit" to investors who purchase the bonds and the debt service would likely be retired over a 20 year period with general fund/general obligation revenues.

As noted by Treasury officials, the specific dollar amount of the bonds that the State will sell will vary from year to year, depending on both the amount of bond funded programs appropriated each year by the Legislature and the amount of cash needed. For example, the contaminated site cleanup and remediation projects typically take several years to complete. Even though the entire spending authorization for a project is appropriated in a particular fiscal year, the expenditures are made over several years. DEQ works with the Department of Treasury to determine the dollar amount of the bonds to be sold each year to support the expenditures in that fiscal year. Also, DEQ and Treasury monitor the bond sales closely to comply with federal arbitrage laws.

Treasury officials say a bond issue of this scope and magnitude will require a budgeted debt service payment of \$60 million each year for approximately 20 years. Depending on market conditions the total amount of interest paid over that period of time could be up to \$400 million.

I asked Director Chester and others – including Treasury staffers – if we can afford this level of debt service. They said the expectation is that Michigan's economy will recover, and adequate resources will be available to pay for the additional debt service. The majority of the 1988 bonds will be retired in the next few years, reducing the current state debt service load. Also, the Department of Treasury says they recently refinanced a major portion of the existing debt load, which will result in tens of millions of dollars of savings to the state budget each year.

The Grand Rapids Area Chamber has concerns about the level of debt service payments over that long period of time and they are insisting on administrative improvements within DEQ to improve the department's administration of regulatory programs.

If the environmental bond proposal is to be placed before voters on November 4, both chambers of the Legislature would have to approve a joint resolution by the first week of September. The Secretary of State would then have until September 15 (49 days prior to the election) to certify the bond proposal for the November ballot.

We'll have a good chance on Wednesday morning to hear directly from Director Steve Chester and ask the tough questions that must be posed regarding such an ambitious and long-term environmental bond proposal.

SB 1249 – ALLOW COUNTIES AND MUNICIPALITIES TO CREATE STORM WATER UTILITIES

Ever since the Michigan Supreme Court ruled (*Bolt v. City of Lansing*, December 27, 1998) that municipalities are sharply restricted from developing local storm water utilities to defray the costs of complying with EPA/DEQ municipal storm water mandates, I have been working with myriad groups to devise legislation that addresses the High Court's concerns and enables county and local governments to form – at their discretion – storm water utilities. Under *Bolt*, the Supreme Court determined that Lansing's storm water "fee" was a "tax," subject to voter approval.

To return this potential local revenue stream to "fee" status, the Supreme Court established a series of "tests" for counties and municipalities to follow when setting storm water utility charges to ensure that storm water utility fees are tied to a specific regulatory compliance purpose and cannot be used to augment general fund programs; that they are proportionate to the services that counties and local governments are providing to property owners for storm water management; and that there is a mechanism in place for property owners to opt-out (partially or totally) of the county or local program.

Following years of discussion in Lansing and around the state, Senator Patty Birkholz (R-Saugatuck) has – at the urging of GVMC and SEMCOG – introduced SB 1249, legislation that enables counties and local units to establish storm water utilities in a manner that complies with the requirements set down by the Michigan Supreme Court. While the bill faces tough scrutiny in these challenging times, the fact that we have a vehicle bill at all is a testament to hard work and tenacity by a lot of players and steadfast resolve by Senator Birkholz to address this issue.

I have attached a copy of the bill, together with a brief summary of the steps that counties and locals would take under this legislation to establish a storm water utility that meets all of the requirements set down by the High Court in the *Bolt* decision.

At our meeting on Wednesday I need your input on the direction that this is taking. There will likely be many changes to the language in the bill before this legislation moves forward, but I need to know from you if we are approaching this issue in a workable fashion.

GVMC 2009-2010 LEGISLATIVE PRIORITIES

In January, 2007 the Metro Council approved the attached list of GVMC Legislative Priorities that were developed by this Committee. At that time, you noted to the Council that while member counties and communities have a broad range of public policy goals that deserve GVMC's support, it is prudent to limit our list of priority issues to four principal policy objectives.

As you can see, revenue sharing tops the list of priorities, with restoration of statutory revenue sharing to counties and full funding of statutory payments to cities, villages and townships. In early 2007, the number two priority was business tax restructuring to encourage business retention and expansion while maintaining revenues for critical public services. Whether the new MBT and the surcharge accomplished that goal is subject to sharp debate. Continuing local control over telecommunications franchising was our number three priority, with a statement of support for MTA and MML's efforts to preserve local franchising authority. Our fourth legislative priority involved amendments to several state statutes to remove current impediments to intergovernmental service sharing. That was later expanded and amplified with our more comprehensive Policy Statement on State Budget and Tax Issues approved by the Council on April 9, 2007.

As we enter the legislative election season, it is wise for us to take some time on Wednesday to review our Legislative Priorities and develop an updated list that we can share with legislative candidates throughout this region prior to the November 4 election. To assist in our discussions, I also have attached for your reference the full list of topics that we developed in November of 2006.

I'm looking forward to seeing you and having a productive meeting on Wednesday morning. As always, if you have any questions, or if we can be of further assistance, please call me directly at 776-7604, on my cell at 450-4217, at home at 257-3372 or via email at stypulad@gvmc.org.

**GRAND VALLEY METROPOLITAN COUNCIL
LEGISLATIVE COMMITTEE MEETING**

April 9, 2008

8:30 a.m.

GVMC Offices
Grand Rapids, MI 49503

MINUTES

1. Call To Order

2. Roll Call

Present:

Haris Alibasic	City of Grand Rapids
Chuck Bloom	Cannon Township
Jim Buck	City of Grandville
Don Hilton	Gaines Township
Bill Holland	Georgetown Township
Gayle McCrath	Grand Valley Metro Council
Jim Miedema	Jamestown Township
Rick Root	City of Kentwood
Don Stypula	Grand Valley Metro Council

3. Call to Order

Chair Rick Root called the meeting to order at 8:40 a.m.

4. Approval of Minutes from February, 2008

The minutes of the GVMC February, 2008, Legislative Committee meeting were accepted into record.

5. Legislative Breakfast Review

The format, turnout and issues of the legislative breakfast were reviewed. It was determined future events should follow the same format.

6. MDEQ Proposed Environmental Bond

Don Stypula discussed the proposed 2008 statewide environmental bond proposal. He asked if members of the legislative committee felt there should be a bond question on the ballot.

Haris Alibasic stated the brownfield program has been a very successful and valuable tool for the City of Grand Rapids.

Chuck Bloom commented that the environmental aspects of Michigan are its crowning jewel. It is very important to maintain environmental quality.

Jim Buck stated the Michigan Municipal League Board of Trustees went on record as supporting the bond effort.

Don Stypula reported they have until the end of June to get the issue on the ballot. He stated the Michigan Chamber of commerce supports it, as does the Home Builders and Michigan Manufacturing. He will talk with Steve Chester tomorrow and bring back information for everyone.

Mike DeVries pointed out that a bond is basically a mortgage that has to be paid back at some point. They need to be careful to create a comprehensive program.

Don Hilton stated he agrees, and that getting the money could be very difficult in these times. He would support it if it will move the economy forward. The DEQ running the program may be problematic.

7. Other

PEG Channels

Don Stypula updated the committee on AT&T and PEG channels. The program would include new technology and require users to rent the T1 lines from AT&T at about \$700 per month.

Mike DeVries stated he understood they could send their signal to GRTV or WKTV, who would then run it through their system.

Rick Root stated that the intent and spirit of the law is that PEG channels are a free community service. Now there is an investment involved and some may chose to discontinue coverage.

Enforcement of Speed Laws

The group discussed the problem with enforcement of speed laws due to a recent (1994) law aimed at stopping speed traps. Municipalities can adjust speed zones up but not down. Unless a speed zone is in a special area (school, etc.), people can basically get away with driving 55.

Mike DeVries asked for a summary of the issue.

Don Stypula stated he would get one to everyone.

Bill Holland stated Terry Tobias has a very good paper on the issue.

8. Adjourn – 10:00.

DRAFT
CONCEPT PAPER
2008 General Election Ballot Proposal
Great Lakes Environmental Clean-up, Restoration and Protection Bond
4/22/08

PURPOSE

Provide funding to clean-up, restore, conserve and protect Michigan's Great Lakes basin water resources and to clean-up and redevelop contaminated sites.

PROTECT AND RESTORE OUR GREAT LAKES WATERS.....\$ 390 Million

- | | | |
|----|--|---------------|
| 1. | Aquatic Invasive Species | \$ 20 million |
| 2. | Habitat Restoration and Species Protection | \$ 50 million |
| 3. | Coastal Health | \$ 60 million |
| 4. | *Areas Of Concern (AOC)—sediment removal | \$115 million |
| 5. | Non-Point Source | \$ 50 million |
| 6. | Toxic Pollutants | \$ 20 million |
| 7. | Water Quality Monitoring | \$ 25 million |
| 8. | Waterfront/Coastal Sustainable Development | \$ 50 million |

CLEAN-UP AND REDEVELOP CONTAMINATED SITES.....\$ 820 Million

- | | | |
|----|-----------------------------|---------------|
| 1. | Contaminated Site Clean-up | \$550 million |
| 2. | Redevelopment | \$150 million |
| 3. | Brownfield Grants and Loans | \$100 million |
| 4. | Lead Paint Abatement Grants | \$ 20 million |

LAND STEWARDSHIP.....\$ 90 Million

- | | | |
|----|---|---------------|
| 1. | *Conservation Reserve Enhancement Program | \$ 35 million |
| 2. | *Groundwater and Surface Water Protection | \$ 20 million |
| 3. | Farmland Preservation | \$ 35 million |

TOTAL

\$ 1.3 Billion

*Matches available Federal Funds

1988 Bond and 1998 Bond—How Was the Money Spent?

1988 Environmental Protection Quality of Life Bond.....\$660 million

1.	Clean-up Toxic and Contaminated Sites	\$425 million
2.	Solid Waste Projects	\$150 million
3.	Capitalize State Revolving Fund	\$ 60 million
4.	Regional Great Lakes Protection Fund	\$ 25 million

1998 Clean Michigan Initiative Bond.....\$675 million

1.	Clean-up and Redevelopment Activities at Facilities	\$335 million
2.	Waterfront Development	\$ 50 million
3.	Contaminated Lake and River Sediment Clean-up	\$ 25 million
4.	Nonpoint Source Pollution Control Grants	\$ 50 million
5.	Pollution Prevention Programs	\$ 20 million
6.	Water Resource Protection and Pollution Control	\$ 45 million
7.	Water Quality Monitoring	\$ 45 million
8.	State Park Infrastructure Upgrades	\$ 50 million
9.	Local Recreation Grants	\$ 50 million
10.	Lead Paint Abatement Grants	\$ 5 million

Great Lakes Regional Collaboration Strategy



To Restore and Protect the Great Lakes



December 2005

GLRC 

EXECUTIVE SUMMARY

The Resource

The Great Lakes are a unique and extraordinary resource that have provided vast amounts of fresh water to nourish the history, culture, economy, and well-being of the people in this part of the United States. They have done so for millennia for the region's Native Americans whose life ways and communities have been and remain intertwined with the natural resources found in their ancestral homelands. And, for the past few hundred years since the earliest journeys of European explorers, the Great Lakes natural bounty has provided for the needs of a growing nation.

Today, more than 35 million Americans receive the benefits of drinking water, food, a place to work and live, and transportation from the Great Lakes. Millions of people enjoy fishing, hunting, swimming, boating, and the sheer beauty of the Lakes in remote parks and on the stunning shorelines of some of our largest cities, and agricultural fields yield abundant harvests of a large variety of crops. The region's many Native American communities rely upon the Great Lakes' natural resources to meet their subsistence, economic, cultural, medicinal, and spiritual needs. We have thrived on the richness the Lakes have brought us, but have not protected them adequately to ensure that future generations will be able to enjoy them as we have.

Challenges

The challenges we face on the Great Lakes are many in number and serious in nature. Aquatic invasive species continue to arrive at the rate of one every eight months, adding to the more than 160 already causing serious ecological and economic damage. At the same time, past and ongoing development has compromised Great Lakes habitats, and threatens the plants and animals that need them to survive. Many of our coastal areas, in particular, also suffer from massive sewer overflows that contaminate the water and close the beaches. The thirty-one areas identified more than 15 years ago where the most significant harm to the resources has occurred continue to be of great concern; none of them has been fully restored to date. Continued pollution from non point sources in these areas and many others contribute to impaired water quality and related problems. Although releases of toxic pollutants have been reduced significantly over the years, there is a legacy of contamination in sediments and fish throughout the system, and mercury and other pollutants continue to enter the Great Lakes from nearby and distant sources. While large amounts of data and information on the Great Lakes have been collected over the years, not enough of that has been transformed into knowledge about the key indicators of the health of the ecosystem. In addition, many of the practices of industry, agriculture, communities, and private citizens simply have not been sustainable.

Collectively, these problems and others have seriously compromised the environmental health of the Great Lakes. Because the stressors to the Great Lakes have developed over time and there has usually been a delay in the Lakes' response to the stressors, many believe that we have time to counter these stresses and restore the Lakes. However, in many areas of the Lakes, historic stressors have combined with new ones to reach a point where ecosystem-level changes occur rapidly and unexpectedly. As a result, there is a new sense of urgency for action on the highest priorities for restoring and protecting the Great Lakes.



Since 1970, governments, citizens, industry, and agriculture have worked together extensively to restore and protect the Great Lakes. Although much progress has been made, some of the problems have become more serious, many have not been solved, and new ones continue to develop. Despite good intentions and hard work, the strategies and efforts to date simply have not been effective enough to do the job of cleaning up the Great Lakes or preventing further degradation. A much more concerted effort over a longer period of time is essential for the restoration and protection of the resource and the prevention of future problems.

The Great Lakes Regional Collaboration

In December 2004, the Great Lakes Regional Collaboration of National Significance (GLRC) was launched, creating a unique partnership of key members from federal, state, and local governments, tribes, and other stakeholders for the purpose of developing a strategic plan. This Strategy is intended to build upon the extensive regional efforts to date, working together toward a common goal of restoring and protecting the Great Lakes ecosystem for this and future generations.

An Executive Committee made up of senior elected and appointed officials from different levels of government has helped guide the GLRC over the past year as the Strategy has been developed. Eight Strategy Teams, each focusing on a different issue affecting the Great Lakes basin, began work in January 2005 to develop recommendations for action. More than 1,500 people from diverse backgrounds have participated on these Teams. A Draft Strategy was released on July 7, 2005 for public comment. Comments were solicited and received through a series of public meetings, the Internet, and in writing. This Strategy is the result of that collaborative process but it should not be construed as an endorsement or approval by the GLRC members of each and every Strategy Team recommendation. Implementation will proceed promptly after the Strategy is released. Because we share the Great Lakes with Canada, we must do everything possible to make sure that our plans and actions are compatible and synchronized with their efforts.

Strategy Team Recommendations

The work of the Strategy Teams includes many recommendations for action focused on the steps that should be taken over the next five years to proceed with restoration to achieve the greatest results. The actions identified by the Strategy Teams highlight the highest priorities recommended by the Teams for early implementation. Much more will need to be done to fully restore and protect the Lakes. Those additional actions, as well as much more supplemental information, are included in the Appendices to the Strategy. The Strategy Teams considered the overarching issues of human health, tribal interests and perspectives, and research, and factored them in to the extent possible. The Strategy Teams worked to characterize the problems faced in the Great Lakes, and to establish goals and milestones. The key recommendations crafted by each Strategy Team are set forth below.

Immediate action to stop the introduction of more **aquatic invasive species** (AIS) can prevent significant future ecological and economic damage to the Great Lakes. The steps needed include:

- prevention of AIS introductions by ships through ballast water and other means;
- stopping invasions of species through canals and waterways;
- restricting trade in live organisms;
- passage of comprehensive federal AIS legislation;
- establishing a program for rapid response and management; and
- education and outreach on AIS introduction and prevention.

The plants and animals of the Great Lakes need habitat in order to survive in the future, and there is a need for significantly more **habitat conservation and species management**. The recommendations focus on:

- native fish communities in open waters and near shore habitats;
- wetlands;
- riparian (streams) habitats in tributaries to the Great Lakes; and
- coastal shore and upland habitats.

The **near shore waters and the coastal areas** are the region's largest source of drinking water and experience a variety of recreational activities. To minimize the risk to human health resulting from contact with near shore waters, actions needed include:

- major improvements in wet weather discharge controls from combined and sanitary sewers;
- identify and control releases from indirect sources of contamination;
- implement a “risk-based approach” to manage recreational water;
- protect sources of drinking water; and
- improve the drinking water infrastructure and support source water protection.

The United States identified the 31 most contaminated locations on the Great Lakes under the Great Lakes Water Quality Agreement with Canada more than 15 years ago. None of them have been restored to date. To remedy this situation, a dramatic acceleration of the cleanup process at these **areas of concern** (AOC) is needed. The actions recommended are:

- amend the Great Lakes Legacy Act to increase funding and streamline the process;
- improve federal, state, and local capacity to manage the AOC cleanups;
- create a federal-state AOC coordinating committee to work with local and tribal interests to speed cleanups; and
- promote clean treatment and disposal technologies as well as better beneficial use and disposal options.

Non point sources of pollution contribute significantly to problems in the Areas of Concern, as well as to other locations in the Great Lakes, including the open waters. Actions to address these problems include:

- wetland restoration;
- restoration of buffer strips;
- improvement of cropland soil management;
- implementation of comprehensive nutrient and manure management plans for livestock operations; and
- improvements to the hydrology in watersheds.

Toxic pollutants continue to stress the Great Lakes ecosystem, posing threats to human and wildlife health. Persistent toxic substances such as mercury and PCBs remain present in fish at levels that warrant advisories and restrict consumption throughout the Basin. To address this ongoing problem, actions are needed to:

- reduce and virtually eliminate the discharge of mercury, PCBs, dioxins, pesticides and other toxic substances to the Great Lakes;
- prevent new toxic substances from entering the Great Lakes;
- institute a comprehensive research, surveillance and forecasting capability;

- create consistent, accessible basin-wide messages on fish consumption and toxic reduction methods and choices; and
- support efforts to reduce continental and global sources of toxics to the Great Lakes.

With a resource as large and complex as the Great Lakes ecosystem, it is essential to have a **sound information base and representative indicators** to understand what is happening in the system. This information must then be communicated to the public, to decision makers, and all others involved. To improve over the current situation, the following actions are needed:

- better coordinate the collection of critical information regarding the Great Lakes ecosystem and support the U.S. Integrated Earth Observation System (IEOS) and the Integrated Ocean Observing System (IOOS) as key components of the Global Earth Observation System of Systems (GEOSS);
- promote the continued development of science-based indicators, including those developed through the SOLEC process;
- double funding for Great Lakes research over the next five years;
- establish a regional information management infrastructure; and
- create a Great Lakes communications workgroup to manage scientific and technical information.

Ensuring the long term **sustainability** of the Great Lakes resource will require a number of significant changes in the way we approach such things as land use, agriculture and forestry, transportation, industrial activity, and many others. To start this process, we need to:

- adapt and maintain programs that promote sustainability across all sectors;
- align governance to enhance sustainable planning and management of resources;
- build outreach that brands the Great Lakes as an exceptional and competitive place to live, work, invest, and play; and
- provide leadership for sustainable development through implementation of the Strategy recommendations.

This document provides the full range of recommendations, options, and ideas generated by the Strategy Teams. While better coordinated use of existing resources will allow for some recommendations to move forward early in the implementation process, others will require modest additional funding, and some will be impossible to implement absent substantial new expenditures on the part of the various Collaboration partners. While the release of this Strategy does not constitute a commitment of additional resources on the part of any member of the Collaboration, the members are committed to continuing to work together in partnership toward the goals identified in the Strategy.

The Collaboration partners have rallied around a shared vision of a restored, sustainable Great Lakes ecosystem that has generated optimism and engendered a spirit of cooperation. What is needed now is the will to act and the leadership to proceed if we are to realize our vision and reach our goals. The time to begin is now.

SENATE BILL No. 1249

April 15, 2008, Introduced by Senator BIRKHOLZ and referred to the Committee on Natural Resources and Environmental Affairs.

A bill to authorize local units of government to create storm water utilities; to permit the establishment and collection of storm water utility fees and storm water system development charges; to provide for the allocation to property of the costs of planning, constructing, operating, maintaining, financing, and administering storm water systems; to authorize the adoption of storm water utility ordinances; to provide for credits, exemptions, and appeals; and to prescribe the powers and duties of certain local governmental officers and entities.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. The legislature finds all of the following:

2 (a) The health, safety, and welfare of the people of this
3 state and the quality and sustainability of this state's natural
4 resources are adversely affected by poor ambient water quality and

1 flooding that results from inadequate management of both the
2 quality and quantity of storm water.

3 (b) Improper management of storm water runoff causes erosion
4 of lands; threatens businesses and residences and other facilities
5 with water damage from flooding; adversely impacts public health,
6 safety, and welfare; and creates environmental damage to rivers,
7 streams, and other bodies of water in Michigan, including the Great
8 Lakes.

9 (c) The constitution and laws of this state authorize local
10 units of government to provide storm water management services and
11 systems that will contribute to the protection and preservation of
12 the public health, safety, and welfare, and to the protection of
13 this state's natural resources.

14 (d) Control of the quantity and quality of storm water flow
15 from developed and undeveloped property is essential to protect and
16 improve the quality of surface and groundwater in this state,
17 thereby protecting its natural resources and the health, safety,
18 and welfare of its citizens.

19 (e) It is in the interest of protecting both the waters of the
20 state from pollution and the public health, safety, and welfare to
21 enable local units of government to fund storm water management
22 with a user fee system that allocates the costs of these services
23 to property owners in a local unit of government based upon the
24 extent to which each parcel of real property contributes to the
25 need for storm water management.

26 (f) The federal clean water act and rules and regulations
27 promulgated thereunder place increased mandates on local units of

1 government to develop, implement, conduct, and make available to
2 their citizens and property owners storm water management services
3 which address water quality, velocity, and volume impacts of storm
4 water runoff.

5 (g) Phase II of the national pollutant discharge elimination
6 system regulations promulgated under the federal clean water act,
7 which regulations became effective as of March 10, 2003, requires
8 local units of government to, among other things, submit permit
9 applications for municipal separate storm sewer systems and
10 implement controls and improvements to storm water management
11 systems, which controls and improvements require substantial
12 capital outlay on the part of local units of government.

13 (h) It is the intent of the legislature to provide a mechanism
14 by which local units of government may establish a system of true
15 user fees and charges to defray the costs of implementing a
16 regulatory program to manage storm water.

17 Sec. 2. This act shall be known and may be cited as the "storm
18 water utility act".

19 Sec. 3. As used in this act:

20 (a) "Fund" means the storm water enterprise fund established
21 by a local unit of government pursuant to section 9.

22 (b) "Impervious area" means a surface area that is compacted
23 or covered with material such as asphalt, concrete, gravel, or oil,
24 so as to be resistant to permeation by surface water, including,
25 but not limited to, most conventionally surfaced streets, roofs,
26 sidewalks, patios, driveways, and parking lots.

27 (c) "Local unit of government" means a city, village,

1 township, or county.

2 (d) "Operation and maintenance costs" means all costs, direct
3 and indirect, of materials, labor, professional services,
4 utilities, and other items for the management and uninterrupted
5 operation of a storm water system in a manner for which the storm
6 water system was designed and constructed.

7 (e) "Storm water" means that term as defined in 40 CFR
8 122.26(b)(13).

9 (f) "Storm water management" means 1 or more of the following:

10 (i) The quantitative control through the storm water system of
11 the increased volume and rate of surface runoff caused by
12 impervious areas.

13 (ii) The qualitative control of storm water through the storm
14 water system, pollution prevention activities, and ordinances to
15 reduce, eliminate, or treat pollutants that might otherwise be
16 carried by storm water.

17 (iii) Public education, information, and outreach programs
18 concerning the potential impacts of storm water pollution on water
19 quality.

20 (g) "Storm water management plan" means a plan described in
21 section 5.

22 (h) "Storm water management program" means 1 or more aspects
23 of storm water management undertaken by a local unit of government
24 to comply with applicable federal or state law or to protect the
25 public health, safety, and welfare.

26 (i) "Storm water system" means roads, streets, catch basins,
27 curbs, gutters, ditches, storm sewers and appurtenant features,

1 lakes, ponds, channels, swales, storm drains, canals, creeks,
2 streams, gulches, gullies, flumes, culverts, siphons, retention or
3 detention basins, dams, floodwalls, levees, pumping stations, and
4 other similar facilities, and natural watercourses and features
5 located within the geographic limits of a local unit of government,
6 that are designed or used for collecting, storing, treating, or
7 conveying storm water or through which storm water is collected,
8 stored, treated, or conveyed, or any other physical means by which
9 storm water management is achieved.

10 (j) "Storm water system development charge" or "charge" means
11 a charge provided for under section 6(1).

12 (k) "Storm water utility fee" or "fee" means a charge provided
13 for under section 8.

14 (l) "Storm water utility ordinance" means an ordinance adopted
15 by the governing body of a local unit of government pursuant to
16 section 4(1).

17 Sec. 4. (1) A local unit of government may adopt a storm water
18 utility ordinance under this act. A storm water utility ordinance
19 may provide for a storm water system development charge, and may
20 provide for a storm water utility fee, on real property located
21 within that local unit of government to finance a storm water
22 management program.

23 (2) Before adopting a storm water utility ordinance, the
24 legislative body of a local unit of government shall by resolution
25 adopt a storm water management plan. The storm water utility
26 ordinance shall be consistent with the storm water management plan.

27 Sec. 5. (1) A storm water management plan shall contain at

1 least all of the following elements:

2 (a) Geographic limits of storm water management districts. A
3 storm water management district shall encompass property with
4 similar cost of service characteristics and uses. A storm water
5 management district may consist of all of the territory of the
6 local unit of government, or a portion of the territory of the
7 local unit of government, or all or a portion of the territory of 2
8 or more local units of government that have agreed to jointly
9 manage storm water within that district.

10 (b) Storm water management services to be provided to each
11 storm water management district.

12 (c) The planning period covered by the storm water management
13 plan.

14 (d) Projected expenses of the storm water management program
15 within each storm water management district for each year of the
16 storm water management plan planning period.

17 (e) Projected sources of revenue to recover the expenses under
18 subdivision (d).

19 (f) Projected impervious area and, if applicable pursuant to
20 section 8(6), total area of each class of property within each
21 storm water management district.

22 (g) The method of calculating any storm water utility fees and
23 storm water development charges proportionate to the necessary cost
24 of providing the necessary level of storm water management
25 services.

26 (h) The process and method by which the local unit of
27 government will determine which properties will be subject to any

1 storm water utility fee, as required under section 11(1).

2 (2) Before adopting a storm water management plan, a local
3 unit of government shall hold a public hearing on the proposed
4 plan. The local unit of government shall give notice of the hearing
5 by publication in a newspaper of general circulation within the
6 local unit of government at least 6 days before the hearing. The
7 notice shall include the time and place of the hearing and shall
8 state the place where a copy of the proposed storm water management
9 plan is available for public inspection. In addition, if the local
10 unit of government has a website, the proposed storm water
11 management plan shall be posted on the website and the notice shall
12 provide the local unit of government's website address. This
13 subsection does not apply to the adoption of a storm water
14 management plan if the storm water management plan was adopted
15 before the effective date of this act.

16 (3) Any storm water management plan may be extended or
17 otherwise amended by resolution subject to the procedure set forth
18 in subsection (2).

19 Sec. 6. (1) A storm water utility ordinance may provide for a
20 storm water development charge. The storm water development charge
21 is a 1-time charge to newly developed real property to finance the
22 capital costs of the public storm water system needed to serve the
23 property.

24 (2) Revenue from a storm water system development charge shall
25 be deposited in the fund.

26 (3) A storm water system development charge shall be used to
27 finance public components of a storm water system needed to serve

1 the property on which the charge is imposed.

2 Sec. 7. A storm water system development charge shall be
3 computed based on 1 or both of the following methods:

4 (a) The modified property's proportionate share of the local
5 unit of government's necessary cost to expand the storm water
6 system to manage the additional storm water from that property.

7 (b) The modified property's proportionate share of the local
8 unit of government's past capital investment in the storm water
9 system. The modified property's proportionate share shall be
10 calculated consistent with the method used by the local unit of
11 government to calculate storm water utility fees as described in
12 section 8.

13 Sec. 8. (1) A storm water utility ordinance may impose a storm
14 water utility fee on real property. Revenue from a storm water
15 utility fee shall be deposited in the fund and used for the
16 purposes described in section 9.

17 (2) A storm water utility ordinance shall describe the method
18 or methods used to determine any storm water utility fee.

19 (3) A local unit of government may develop a corresponding
20 storm water utility fee, calculation method, or both for each storm
21 water management district described in the storm water management
22 plan under section 5(1)(a).

23 (4) A storm water utility fee shall be proportionate to the
24 necessary cost of providing storm water management to each property
25 in a storm water management district taking into account revenue
26 collected from a storm water system development charge, if any.

27 (5) A storm water utility ordinance may define rate categories

1 for properties where the proportionate cost of providing service is
2 similar. Each property within a rate category shall be charged the
3 same storm water utility fee.

4 (6) The storm water management plan shall demonstrate that any
5 storm water utility fee or portion thereof charged to a property,
6 for those elements of the storm water management program whose cost
7 is directly related to the amount of storm water managed and is not
8 covered by storm water development charges or other revenue, is
9 proportionate to the amount of storm water generated by that
10 property. The method for determining a storm water utility fee
11 shall be based on the storm-water-generating characteristics of
12 either individual properties or all properties within a rate
13 category. A local unit of government's cost for storm water
14 management attributable to each individual property shall be
15 calculated using 1 or more methods generally accepted by licensed
16 professional engineers, including, but not limited to, the
17 following methods:

18 (a) Impervious area: a method that calculates a property's
19 storm water contribution based solely on the impervious area of the
20 property.

21 (b) Equivalent residential unit or equivalent service unit: a
22 method that calculates a property's storm water contribution based
23 solely on the impervious area of the property in comparison to the
24 impervious area associated with all single- and multifamily
25 residential properties within the geographic limits of the
26 district.

27 (c) Single-family residential unit: a method that calculates a

1 property's storm water contribution based solely on the impervious
2 area of the property in comparison to the impervious area of a
3 typical single-family residence within the geographic limits of the
4 district.

5 (d) Intensity of development: a method that calculates the
6 property's storm water contribution based on the total area of the
7 property multiplied by 1 of several rate categories. Each rate
8 category includes those properties with statistically similar
9 storm-water-generating characteristics, with the storm water
10 utility fee proportionate to the percentage of the property's
11 impervious area to its total area.

12 (e) Equivalent hydraulic area: a method that calculates the
13 property's storm water contribution as follows:

14 (i) Multiply the impervious area of the property by a storm
15 water runoff factor.

16 (ii) Multiply the pervious area of the property by a storm
17 water runoff factor.

18 (iii) Add the products under subparagraphs (i) and (ii).

19 (7) The storm water management plan shall demonstrate that any
20 storm water utility fee or portion thereof charged to a property,
21 for those elements of the storm water management program whose cost
22 is not directly related to the amount of storm water managed and is
23 not covered by storm water development charges or other revenue, is
24 proportionate to the necessary cost of implementing the storm water
25 management program.

26 Sec. 9. (1) A storm water utility ordinance that establishes a
27 storm water utility fee or a storm water system development charge

1 shall establish a storm water enterprise fund. All revenue from
2 storm water utility fees and storm water system development charges
3 shall be deposited in the storm water enterprise fund. The
4 treasurer of the local unit of government may receive money or
5 other assets from any other source for deposit into the storm water
6 enterprise fund. Money in the fund shall be invested pursuant to
7 1943 PA 20, MCL 129.91 to 129.96. The treasurer shall credit to the
8 fund interest and earnings from fund investments. Money in the fund
9 at the close of the fiscal year shall remain in the fund and shall
10 not lapse to the general fund of the local unit of government.

11 (2) The treasurer of the local unit of government shall expend
12 money from the storm water enterprise fund, upon appropriation,
13 only to defray the local unit of government's cost of implementing
14 a storm water management program including, but not limited to, the
15 following:

16 (a) Operation and maintenance costs and costs of planning,
17 engineering, acquiring, constructing, installing, improving, and
18 enlarging a storm water system, including financing and debt
19 service costs together with indirect and overhead costs that are
20 fairly chargeable to such activities pursuant to applicable
21 accepted accounting principles and practices, including practices
22 required under the uniform budgeting and accounting act, 1968 PA 2,
23 MCL 141.421 to 141.440a.

24 (b) Administering the storm water management program.

25 (c) Developing a storm water management plan.

26 (d) Undertaking activities required in order to comply with
27 federal and state law and regulations related to storm water and

1 permits issued thereunder.

2 (e) Paying drain assessments that are the obligation of the
3 local unit of government under the drain code of 1956, 1956 PA 40,
4 MCL 280.1 to 280.630.

5 (f) Providing public education, information, or outreach
6 programs related to the storm water management plan or required by
7 federal or state regulations, or required by permits issued to the
8 local unit of government by federal or state regulatory bodies.

9 Sec. 10. (1) A storm water utility ordinance that imposes a
10 storm water utility fee shall offer credits that reduce the storm
11 water utility fee calculated for a parcel of property for
12 conditions that reduce the cost of service to the storm water
13 system or are reasonably related to a benefit to the storm water
14 system provided by that property or its owner or occupant.

15 (2) The following are examples of the types of conditions for
16 which a local unit of government may offer credits in a storm water
17 utility ordinance:

18 (a) On-site retention or detention facilities.

19 (b) Increased landscape and vegetative control practices.

20 (c) Direct drainage of the property to waters of this state.

21 (d) Use of permeable materials on property.

22 (e) Filtering systems such as catch basins or filter strips.

23 (f) Components of the storm water system that manage upstream
24 or off-site storm water.

25 (g) Facilities that reuse storm water for irrigation or other
26 on-site purposes.

27 (h) Public education or information programs conducted by the

1 property owner or occupant related to storm water management and
2 its impacts.

3 (i) Other components of the storm water system, programs, or
4 activities that result in a measurable reduction in storm water
5 runoff or pollutant loadings.

6 Sec. 11. (1) Property shall not be subject to a storm water
7 utility fee or storm water system development charge unless the
8 local unit of government in the storm water management plan
9 determines that the property utilizes the storm water system.

10 (2) The local unit of government shall provide the owner of
11 property initially determined to be subject to a storm water
12 utility fee or storm water system development charge under
13 subsection (1) with the opportunity to present evidence that the
14 property does not utilize the storm water system and is therefore
15 exempt from the storm water utility fee or storm water system
16 development charge. The storm water utility ordinance shall set
17 forth the procedure for a property owner to claim such an
18 exemption.

19 (3) A storm water utility ordinance that establishes a storm
20 water utility fee or storm water system development charge shall
21 provide that when additional property begins to utilize the storm
22 water system, a storm water utility fee or storm water system
23 development charge accrues, as determined by the local unit of
24 government.

25 Sec. 12. (1) A storm water utility ordinance shall provide for
26 an entity within the local unit of government that will administer
27 the storm water utility and shall define the administrative duties.

1 A storm water utility ordinance shall establish a set of
2 administrative policies and procedures or authorize the
3 administrator to establish the administrative policies and
4 procedures. The administrative policies and procedures shall
5 include at least the following topics, as applicable:

6 (a) Subject to section 15, criteria used to determine whether
7 a storm water utility fee will be billed to the property owner or
8 occupant, including criteria that will be used to determine how to
9 allocate the storm water utility fee to multiple occupants of a
10 single property.

11 (b) Procedures for updating billing data based upon changes in
12 property boundaries, ownership, and storm water runoff
13 characteristics.

14 (c) Billing and payment procedures of the storm water utility
15 that define the billing period, billing methodology, and penalties.

16 (d) Policies establishing the type and manner of service that
17 will be provided by the storm water utility.

18 (e) Regulations governing the resolution of storm water
19 management disputes that arise between property owners within the
20 district.

21 (f) Procedures for granting and modifying any credits
22 authorized pursuant to section 10.

23 (g) Procedures for appeals as described in section 14.

24 (h) Enforcement policies and procedures.

25 Sec. 13. (1) A storm water utility ordinance shall establish
26 remedies for any unpaid storm water utility fees and storm water
27 system development charges as described in this section.

1 (2) A storm water utility fee or storm water system
2 development charge may be a lien on the property on which the fee
3 is imposed. Fees or charges delinquent for 6 months or more may be
4 certified annually to the proper tax assessing officer or agency.
5 An officer or agency to whom fees are certified shall enter the
6 liens on the next tax roll against the respective parcels of
7 property. The fees or charges shall be collected and the lien shall
8 be enforced in the same manner as provided for the collection of
9 taxes assessed upon the roll and the enforcement of the lien for
10 such taxes. The lien is superior to all other liens except tax
11 liens. The time and manner of certification and other details
12 regarding the collection of fees or charges and the enforcement of
13 the lien shall be prescribed by the storm water utility ordinance.

14 (3) A lien for a storm water utility fee shall not be
15 certified under subsection (2) if the clerk of the local unit of
16 government has been notified that an occupant of the property other
17 than the owner is responsible for the payment of the storm water
18 utility fee. The notice shall be accompanied by a copy of the
19 lease, if any, under which the occupant possesses the property and
20 a cash deposit in an amount specified by the storm water utility
21 ordinance as security for the payment of the delinquent amount.

22 (4) A local unit of government may collect a storm water
23 utility fee or storm water system development charge by any lawful
24 method, including any method authorized under the revised
25 judicature act of 1961, 1961 PA 236, MCL 600.101 to 600.9947.

26 (5) A partial payment of delinquent storm water utility fees
27 or storm water system development charges shall be applied to the

1 oldest delinquent fees or charges, and remaining fees or charges
2 may continue to accrue interest and penalties.

3 Sec. 14. (1) A storm water utility ordinance or the
4 administrative policies and procedures adopted under the ordinance
5 shall provide a procedure for appeals and the adjustment of any
6 storm water utility fee or storm water system development charge
7 that includes at least all of the following:

8 (a) A property owner or occupant liable for a storm water
9 utility fee or storm water system development charge may appeal the
10 fee or charge to the local unit of government.

11 (b) An appeal of a storm water utility fee or storm water
12 system development charge shall not be brought more than 1 year
13 after the fee or charge was billed.

14 (c) For an appeal of a storm water utility fee to be
15 successful, the appellant shall demonstrate that the storm water
16 generated by the property is materially less than the amount used
17 by the local unit of government in the calculation of that
18 property's storm water utility fee or that there was a mathematical
19 error in the calculation.

20 (d) If the local unit of government finds that the
21 requirements for a successful appeal under subdivision (c) have
22 been met, the sole remedy to the property owner is a correct
23 recalculation of the storm water utility fee.

24 (e) A finding by the local unit of government that the
25 requirements of subdivision (c) have not been met is conclusive
26 with respect to that property for 7 years. The property owner
27 remains eligible for credits and exemptions under the storm water

1 utility ordinance.

2 (f) A property owner or occupant making an appeal shall
3 provide information necessary to make a determination.

4 (2) A person aggrieved by a decision of the local unit of
5 government on an appeal under this section may appeal to the
6 circuit court.

7 Sec. 15. Notwithstanding section 13(3), a local unit of
8 government's storm water utility ordinance shall provide that a
9 property owner is liable for payment of any storm water utility fee
10 even if the property owner has authorized the local unit of
11 government to bill storm water utility fees to an occupant of the
12 property other than the owner.

13 Sec. 16. The powers provided by this act are in addition to
14 any other powers provided by law or charter.

15 Enacting section 1. Pursuant to section 8 of article III of
16 the state constitution of 1963, it is the intent of the
17 legislature, by concurrent resolution, to request the opinion of
18 the supreme court as to the constitutionality of this act if the
19 governor has not already requested an opinion.



The Grand Valley Metropolitan Council

DRAFT 4-22-08

SB 1249

Creating a Storm Water Utility

- A. A Stormwater Management Plan (Plan) must be adopted by resolution of the legislative body of the local unit of government after a public hearing and prior to adopting a Stormwater Utility Ordinance.
- B. The Plan shall contain at least all of the following:
 - a. Geographic limits of stormwater management districts
 - b. Services to be provided
 - c. Annual projected expenses
 - d. Method of calculating fees and charges
 - e. Process determining which properties will be subject to the fee.
- C. The Plan must demonstrate that any Fee is proportionate to the amount of stormwater generated by that property. The method for determining the Fee shall be based on stormwater generating characteristics for either individual properties or all properties within a rate category. The local unit of government's cost for stormwater management shall be calculated using 1 or more methods generally accepted by licensed professional engineers including:
 - a. Impervious area
 - b. Equivalent residential or equivalent service unit: impervious area of the property in comparison to the impervious area associated with all single and multifamily residential properties within the district.
 - c. Single-family residential unit: impervious area of the property in comparison to the impervious area of a typical single-family residence within the district.
 - d. Intensity of Development: total area of the property multiplied by 1 of several rate categories. Each rate category includes those properties with statistically similar stormwater-generating characteristics, with the Fee proportionate to the percentage of the property's impervious area to its total area.
 - e. Equivalent hydraulic area: Multiply the impervious area of the property by a stormwater runoff factor, multiply the pervious area of the property by a stormwater runoff factor and add the products together.
- D. Stormwater Utility Ordinance (Ordinance)
 - a. May provide for and describe the methods used to determine a Stormwater Utility Fee (Fee)

- b. May provide for Stormwater System Development Charge (Charge)
- c. If a Fee or Charge is established, the Ordinance shall establish a stormwater enterprise fund.
 - i. All revenue from Fees and Charges shall be deposited into the fund.
 - ii. The treasurer of the local unit of government shall expend money from the fund only to defray the local unit of government's cost of implementing a stormwater management program.
- d. An Ordinance that imposes a Fee shall offer credits that reduce the Fee for a parcel of property for conditions that reduce the cost of service to the stormwater system. For example:
 - i. On-site detention facilities
 - ii. Increased landscape and vegetative control practices
 - iii. Use of permeable materials
 - iv. Filtering systems

Talking Points: Stormwater Utility Fees
Prepared by SEMCOG
April 2008

- Stormwater pollution has damaging affects on water resources.
- As a result, Michigan communities are required to clean up stormwater pollution. A newly adopted state program places many new, more intense requirements on local government.
- State and federal laws and regulations require expenditures. The question revolves around how to pay.
- Neither the State nor the Federal government will pay for stormwater pollution control. Therefore enabling the financing of local stormwater programs is prerequisite for clean water to be achieved.
- Fees are a more preferred method than taxes to pay for stormwater management because they are often fairer and more equitable.
- Fees are commonly used for stormwater in other parts of the country (over 500 of them).
- There are over 350 Michigan communities who need to implement a mechanism to pay for their mandated stormwater management programs.
- The legality of the public paying a stormwater utility fee in Michigan is in question; therefore the legislature needs to take policy action.
- Legislative leadership is needed to define the conditions and limitations for using fees.
- In a Michigan Supreme Court case referred to as *Bolt*, the Court held that revenue collected by a local government for a stormwater utility must be a fee and not a tax. The Court then established a three-part test to determine if a fee is actually a tax: a fee must be proportional, regulatory and voluntary. (For a detailed discussion of *Bolt*, see the SEMCOG report, [State and Local Government Financing of Essential Services with User Fees.](#))
- We need to adopt legislation that addresses the legitimate concerns the Court raised in establishing the difference between a fee and a tax, so that communities and the State of Michigan are enabled to comply without exposing themselves to financial risk. Such a bill has been drafted.
- SB 1249 meets the three tests of Bolt by establishing:
 1. Regulatory Purpose: A findings section describes the Phase II regulations and the need for local units of government to manage stormwater
 2. Proportionate: The bill is structured to manage the volume of stormwater with established calculations for communities to generate fees appropriately
 3. Voluntary: Communities assume that all properties are not generating stormwater until the community determines which properties are subject to the utility and the fee. In addition, \ credits are provided for actions that reduce service needed.

- The bill also:
 - Restricts the use of fees to specific situations – can't transfer funds for other applications or uses
 - Fees must be proportional to the service provided to the individual property
 - Only those using the service are paying for the service
 - Requires the development of a Stormwater Management Plan to establish the framework of the utility. An ordinance than enables the utility to implement the plan.
- Use of fees is also an issue important to state government. Michigan is increasing relying on fees to cover the cost of state services and programs.
- The bill is only enabling. It does not trigger any new requirement.



Grand Valley Metropolitan Council

Algoma Township•Allendale Township•Alpine Township•Byron Township•Caledonia Township•Cannon Township•Cascade Township
Cedar Springs•Coopersville•Courtland Township•East Grand Rapids•Gaines Township•Georgetown Township•Grand Rapids
Grand Rapids Township•Grandville•Greenville•Hastings•Hudsonville•Ionia•Jamestown Township•Kent County•Kentwood•Middleville
Ottawa County•Plainfield Township•Rockford•Sparta•Sparta Township•Tallmadge Township•Walker•Wayland•Wyoming

2007-2008 Legislative Priorities for 94th Michigan Legislature

State Tax Policy and Local Fiscal Stability

- a. **Revenue Sharing:** GVMC supports the reauthorization of the formula for distributing the statutory portion of state shared revenues in a manner that restores revenue sharing payments to Michigan Counties and fully funds the state's historic revenue sharing obligations to Michigan's cities, villages and townships.
- b. **Business Tax Restructuring:** GVMC supports the restructuring of the state business tax code to provide incentives for business retention, expansion and recruitment while maintaining adequate revenues to support critical state and local government services.

Intergovernmental Cooperation

- c. **Elimination of Obstacles for Multi-Jurisdictional Service Sharing:** The GVMC supports amendments to current state laws that will remove statutory obstacles faced by Michigan counties, cities, villages and townships desiring to form service sharing partnerships. In pursuit of that goal, GVMC seeks amendments to several existing state statutes that will make it easier for counties and communities to share resources and more efficiently deliver critical local services:
 - 1. 1967 Public Act 7 – Urban Cooperation Act
 - 2. 1967 Public Act 8 – Intergovernmental Transfer of Functions and Responsibilities Act
 - 3. 1969 Public Act 312 – Compulsory Binding Arbitration
 - 4. 1989 Public Act 289 – The Metro Councils Act

Economic Development

- d. **County/Local Inducements for Business and Tourism Development:** The GVMC supports the creation of new, and re-authorization of existing, statutory funding mechanisms that enable county and local governments to assist in retaining existing businesses, attracting new business ventures, and promoting convention and tourism, provided that tax receipts and other state funds are distributed based on an equitable formula that provides funding to all regions of the state.

2007-2008 GVMC Legislative Priorities for 94th Michigan Legislature

SPECIFIC ISSUES

1. **Revenue Sharing**
 - a. Restoration of County Revenue Sharing
 - b. Reauthorization of Statutory Revenue Sharing Formula
2. **Manufactured Housing**
 - a. Taxation Issues
 - b. Planning Authority
 - c. Manufactured Housing Commission
3. **Removal of Obstacles for Multi-Jurisdiction Service Sharing: Amendments to Existing State Laws**
 - a. 1969 Act 312 – Compulsory Binding Arbitration.
 - b. 1989 Metro Councils Act
 - c. 1967 Urban Cooperation Act
 - d. 1967 Intergovernmental Transfer of Functions and Responsibilities Act
4. **Recall**
 - a. Legislation to Limit Recall of Local Elected Officials
5. **Transportation Funding**
 - a. Equitable Distribution of State Transportation Funds Through the P.A. 51 Formula
 - b. Diesel Tax Parity
 - c. Increase in Motor Fuels Tax
5. **Land Use**
 - a. Annexation/Detachment Restrictions
 - b. Coordinated Planning
6. **Tax Restructuring**
 - a. Incent Business Attraction and Retention
 - b. Maintain Adequate Funding for Local Public Services

PHILOSOPHICAL ISSUES

1. **Local Control**
2. **Limit / Eliminate Unfunded State and Federal Mandates**
3. **Limits on DDA/LDFA Tax Captures**
4. **Wireless Communications – Development / Deployment Incentives**
5. **Threshold Review of State Government Services and Costs / Improve State Government Efficiency**
6. **Regulatory Reform / Limits on Regulatory Fees**