



2018 State Priorities

The following list represents many of the policy and funding issues MAC is pursuing, but is not an exhaustive look at the issues we advocate for on behalf of Michigan's 83 counties.

Reforming Michigan's System of Financing Local Government

- Most counties are operating with property tax revenues below their 2000 levels (adjusting for inflation). On average, property tax revenues are 55 percent of a county's budget.
- The revenue recovery restrictions under Proposal A will prevent county property tax revenues from recovering to pre-recession levels for decades.
- In order for counties to meet their OPEB and pension obligations and continue to provide the services that they are statutorily and constitutionally mandated to provide, the Legislature must address the revenue crisis.
- **MAC supports creation of stable and sufficiently funded revenue streams for counties.**

Reforming the Michigan Tax Tribunal

- Since 2013, the Tax Tribunal has pursued policies that have reduced local revenues by more than \$100 million by incorrectly lowering the values of "Big Box" retail locations.
- A 2016 decision by the Michigan Court of Appeals (*Menards Inc. vs. City of Escanaba*) detailed why these "Dark Stores" appeals do not conform to Michigan law.
- **MAC supports legislation that ensures all three methods of property valuation (cost, sales, income) are considered by the tribunal; prevents the consideration of deed-restricted properties as fair "comparables"; and enhances the training and qualifications of tribunal members.**

Reforming Tax Capture Districts

- Counties are often at the whim of tax-increment financing plans authored by these approximately 1,000 economic development districts created by cities, townships and villages.
- While some good work has been done, many of these districts continue capturing all the tax growth within their boundaries for decades, with insufficient transparency or reconsideration.
- The capture of special millages, approved by voters to ensure the funding of specific priorities of residents, should be prevented, as it runs counter to their intended purpose.
- Counties still do not have the ability to prevent the capture of millage dollars from plans that were established prior to 1994 and continue to this day unless approved by the capture district.
- **MAC supports legislation that ensures county tax dollars are not captured without a county's approval; ensures dollars from special millages are not captured; and ensures proper transparency on spending.**

Ensuring a Fair Partnership for Michigan's Child Care Fund

- Legislation now under debate streamlines the CCF payment process; ensures changes to Title IV-E eligibility determinations are not recouped by the state from counties; and includes technology costs for in-home care risk and needs assessment software as a direct expenditure to the Child Care Fund.
- **MAC supports this legislation to ensure counties have resources to operate the foster care system.**

Ensuring Adequate Funding for Community Mental Health

- Community Mental Health systems have been facing budgetary challenges (estimated at \$97 million for FYs16-17) due to a significant shift of enrollment from the Disabled, Aged and Blind (DAB) population to the Healthy Michigan Plan (HMP).
- **MAC supports increased Medicaid funds to alleviate the unintended loss of revenue to CMH and a recalculation of the HMP rate.**

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Providing Proper Funding for Updated 911 System to Protect Communities

- Next Generation 911 (NG911) is operating in 36 counties and providing improved location accuracy for wireless 911 calls, which accounts for more than 80 percent of 911 calls answered by our local law enforcement teams.
- Legislation now under debate includes auditing provisions for counties and Public Safety Answering Points (PSAPS) to ensure proper use of 911 funds and maintains the ability for a county to file litigation against a service provider for failing to remit the proper amount.
- **MAC supports legislation to build NG911 infrastructure statewide and ensure stable funding for state and local sources.**

Reforming Payments for Foster Child Placements

- While great strides have been made to streamline the Child Care Fund process, the issue of administrative payments for unlicensed relative placement is outstanding and further discussion is needed.
- **MAC supports administrative payments for relative placements regardless of licensure.**

Improving the Legislative Process on Unfunded Mandates

- In any given session, the Legislature will generate around 4,000 bills making changes to state law. Many of these bills will have impacts felt across local governments and can often lead to Headlee violations.
- **MAC supports the implementation of a more robust fiscal note process to ensure legislators are provided with the best information possible when making decisions.**

Investing in and Properly Managing Michigan's Infrastructure

- Counties play a central role in our states most critical infrastructure needs, from building and maintaining roads and bridges, to the preservation of drainage and ensuring safety at county beaches.
- Increased infrastructure funding will help protect our present vital infrastructure investments while enhanced asset management tools can help counties achieve greater cost savings and increase the useful life of current and future infrastructure.
- **MAC supports legislation to adequately fund infrastructure upgrades, strikes a balance between efficient use of existing revenue and new revenue to meet county infrastructure needs and develops better statewide asset management tools.**

Ensuring State Funding for 'Raise the Age' Changes to Juvenile Justice

- Michigan remains one of the last states to prosecute 17-year-olds as adults, and the Legislature has been pursuing bills to increase the adult prosecution age for most crimes to 18.
- While MAC supports the concept of further accessibility to rehabilitation and community-based programs for 17-year-olds, including this population in the juvenile system may put further strain on county budgets.
- **MAC supports full state funding for any mandate incorporating 17-year-olds in the juvenile justice system.**

Maintaining a Due Process Approach on Foster Care Appeals

- Disputes between counties/courts and the state over federal foster care eligibility are now resolved by an independent, third-party review.
- The state, through the Department of Health and Human Services (DHHS), wants to change that by giving itself the final authority, thereby tilting the field against counties.
- **MAC supports maintaining the current "due process" approach, and urges collaboration with DHHS to maximize federal foster care funding.**