

SCR16, As Adopted by Senate, July 15, 2009

Senators Pappageorge and Kuipers offered the following concurrent resolution:

Senate Concurrent Resolution No. 16.

A concurrent resolution to implore Governor Granholm to convince President Obama to grant Michigan a two-year waiver from federal matching requirements for federal-aid bridge and highway projects.

Whereas, Fifty-five years ago, General Motors' share of the domestic automobile market was almost 55 percent. The company's current home market share has dwindled to 19.6 percent, a drop of almost 2 percent within the last year alone. Over the past year, General Motors sales have fallen over 40 percent, from 1.5 million vehicles to 940,000 vehicles. Over the same period, Ford vehicle sales have fallen 32.7 percent, from 1.1 million to 743,000 vehicles; and Chrysler vehicle sales have fallen 45.7 percent, from 867,000 to 471,000 vehicles; and

Whereas, The Michigan economy has been devastated by the collapse of the domestic automobile industry. Within the past few years, the state has lost more than 700,000 auto industry-related jobs. It is expected that by the end of the decade, Michigan will have lost 1 million jobs. Of the 49 metropolitan areas in the county with over 1 million people, the Detroit-Warren-Livonia metropolitan area reported the highest unemployment rate in May 2009 at 14.9 percent. The two divisions that comprise this metropolitan area registered the highest jobless rates in the nation: Detroit-Livonia-Dearborn at 16 percent and Warren-Troy-Farmington Hills at 14.1 percent. Further, over the past year, Warren-Troy-Farmington Hills and Detroit-Livonia-Dearborn experienced the largest unemployment increases in the country (increasing by 6.7 and 6.4 percentage points, respectively). Unfortunately, the near future economic forecast is not promising as the statewide unemployment rate is expected to climb to 16.9 percent in 2010; and

Whereas, The disintegration of the domestic automobile industry is having a cascading effect on counties, cities, and villages. It has been projected that local governments are about to go through at least a decade where two-thirds of their principal revenue sources--property taxes--will not increase. In fact, the absolute dollar amount collected in property taxes in 2008 will not reach the same level of dollars collected until probably 2020 or 2022; and

Whereas, One of the key provisions of the American Recovery and Reinvestment Act (ARRA) of 2009, which apportioned \$873 million to Michigan, is that the federal government waived the 20 percent local match requirement for eligible state and local road and bridge projects. However, Michigan has billions in unmet state and local transportation infrastructure needs that will require the 20 percent match requirement. By waiving the local match requirement for two years, thousands of new road and bridge construction jobs will be created, which will not only assist our ailing local governments, but improve our critical state infrastructure; now, therefore, be it

Resolved by the Senate (the House of Representative concurring), That we implore Governor Granholm to convince President Obama to grant Michigan a two-year waiver from federal matching requirements for federal-aid bridge and highway projects; and be it further

Resolved, That copies of this resolution be transmitted to the Governor, the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, the United States Department of Transportation, and the members of the Michigan congressional delegation.