

Senators Smith, Hunter, Gregory, Young, Hood, Gleason and Johnson offered the following resolution:

Senate Resolution No. 106.

A resolution to urge the Governor not to appoint an emergency manager for Detroit but to address the long-term issues that have created the economic conditions in Detroit and to work with elected city officials, Detroit legislators, community leaders, and all stakeholders to develop solutions for Detroit's long-term financial health.

Whereas, The financial challenges facing Detroit have been created due to the loss of its tax base, years of shrinking population, and dwindling shared revenue from the state. Appointing an emergency manager (EM) does not and will not solve these root problems for Detroit or any other Michigan city faced with the same challenges; and

Whereas, Until the fundamental issues of how city revenue is obtained are addressed, an EM for Detroit will meet with the same lack of success we have seen in other EMs for other cities in the state and for Detroit Public Schools. The problem is deeper than how money is spent—the tax structure for the city of Detroit is broken and needs reform. Allowing state control over the budget of Detroit does not solve this problem; and

Whereas, Property taxes, revenue sharing, and income taxes worked in the past to fund the city, but there is clearly a need for a new structure now. Property values in Detroit have fallen by over half in the last ten years. Even if the population trend reversed tomorrow, there would still be a need for a new revenue structure to fully fund the city. An EM is not needed. What Detroit needs is an open dialog regarding creating a new system to generate revenue; and

Whereas, Should an EM be appointed for Detroit, over half the African-American population in the state of Michigan will have been placed under the oversight of an appointed official, unanswerable to the citizens. This action amounts to the disenfranchisement of the people of Detroit. It sends the message that the citizens of Michigan's largest city are unable to face difficult solutions on their own and makes the state government appear heavy-handed. This action will not be positive for the public image of our state; and

Whereas, Recognizing that difficult choices will have to be made to solve Detroit's current budget deficit and that Detroit's leaders are working together to meet that challenge, the best course of action is to allow those elected by the citizens to make these decisions and not an unelected appointee; and

Whereas, The long-term solution to fix the budgetary issues in the city of Detroit is to increase the population and reverse the trend of the shrinking tax base. Appointing an EM will be detrimental to this effort. No American would choose to live in an area where their right to elect their leaders has been removed; now, therefore, be it

Resolved by the Senate, That we urge the Governor not to appoint an emergency manager for Detroit but to work with elected city officials, Detroit legislators, community leaders, and all stakeholders to develop long-term solutions for the city's financial problems; and be it further

Resolved, That copies of this resolution be transmitted to the Office of the Governor.