

MAC

MICHIGAN ASSOCIATION OF COUNTIES

*MAC is the counties' voice
at the State Capitol,
providing legislative
support on key issues
affecting counties.*

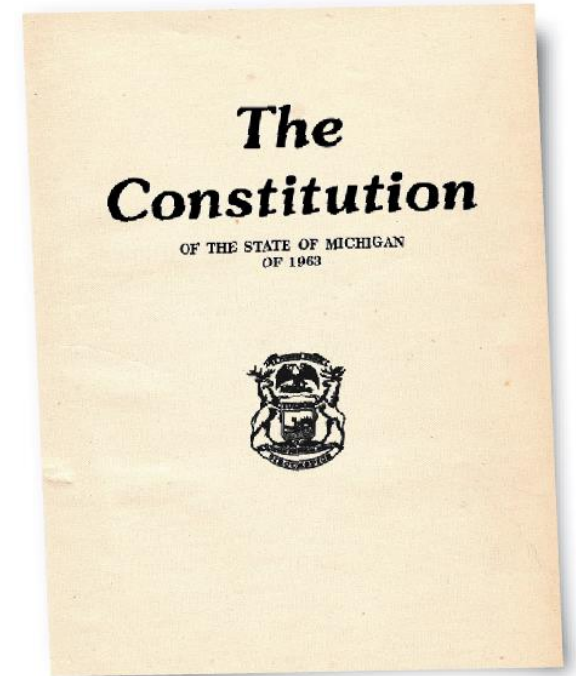


www.micounties.org

The Michigan Constitution of 1963

Two major roles for counties

1. Exist to extend some powers of state government throughout the state. (For example, enforcement of criminal laws.)
2. Carry out programs that benefit primarily the local population. (For example, health and welfare activities.)



Source: *Guide to Michigan County Government*

Although counties act as “agents of the state” for required functions, they remain separate and with their own legal identity.

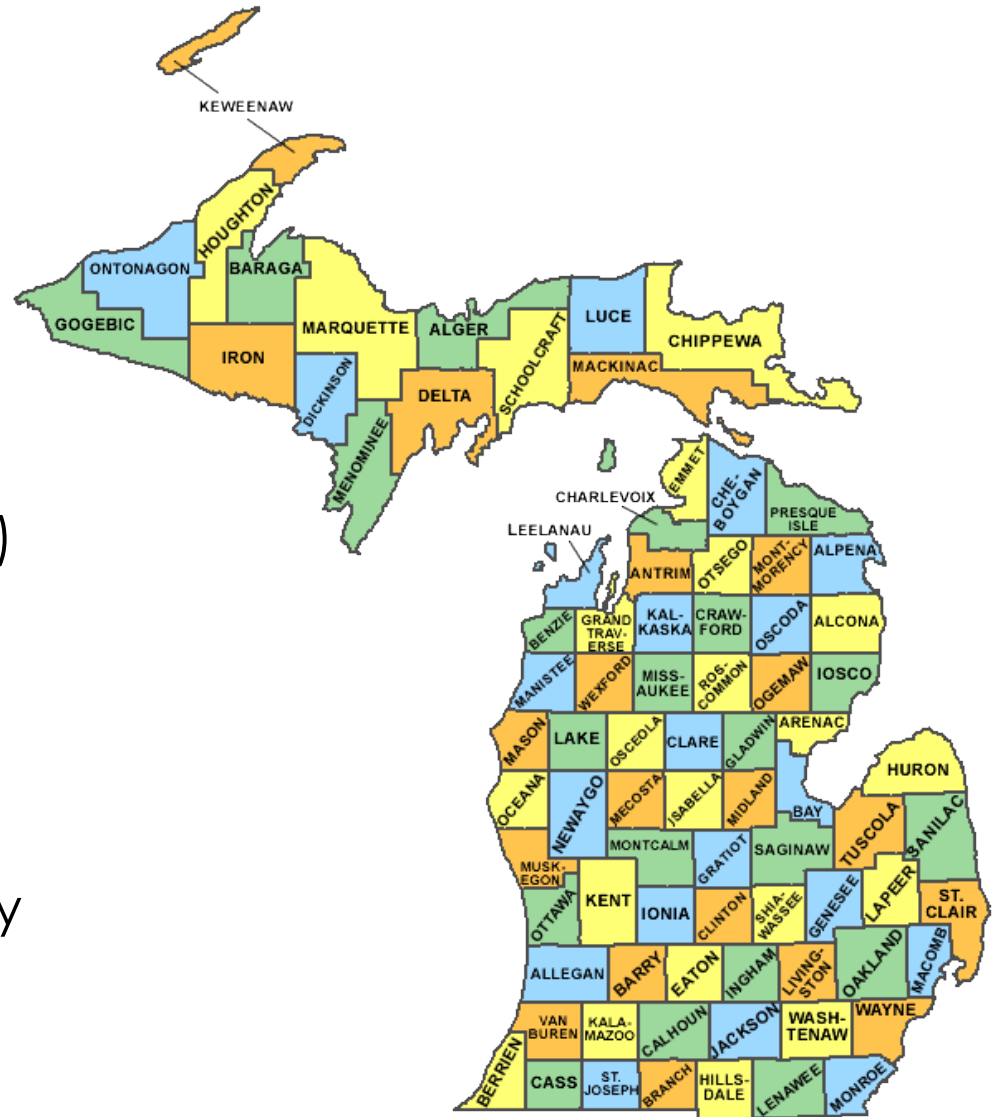
83 counties in Michigan

Big: Wayne (pop. 1,744,000)

Small: Keweenaw (pop. 2,100)

Oakland County per capita income = \$73,271 (2019)

Isabella = 23.4% below poverty line (2020)



- Counties are front-line agencies in providing social and public safety services:
 - Foster care system
 - Public health
 - Circuit courts
 - Jail operations
 - Infrastructure
- Counties collaborate every day with other local units on tax assessment and collection, sheriff road patrol, tech support



Central, but not all-powerful

- Legislative body with authority over “most aspects” of county
- Central policy-making body
- Can pass ordinances, though limits to actions related to “county affairs”
- Oversight of administrative functions
- **County boards hold approx. 2,100 regular public meetings per year**





Power of the purse

- County Board determines the county's budget for the year
- **Uniform Budget and Accounting Act requires county to have a balanced budget each year**
- Budget includes restricted and unrestricted funds

County Elected Officials

- Sheriff
- Prosecutor
- Treasurer
- Clerk
- Register of Deeds
- Drain Commissioner
- Executive*



*Four counties (Bay, Macomb, Oakland and Wayne) provide for direct election of a county executive

County Issues

Agriculture

- Farm Land Preservation
- Farm Markets, Wineries and Tourism

Courts

- Abuse & Neglect
- Bail Bonds
- Child Welfare
- Circuit Court
- Costs, Fees, & Fines
- Criminal Procedure
- District Court
- Documents/Records
- Family Law
- Friend of the Court
- Indigent Defense
- Judicial Tenure/Salary
- Jury Issues
- Juvenile Court
- Probate Court
- Probation
- Prosecutor

- Specialty Courts
- Video Requirements

Economic Development

- Authorities
- Brownfields
- DDAs
- Housing Issues
- Land Banks
- Placemaking
- TIFAs
- Tourism
- Zones (Renaissance, Neighborhood)

Environmental

- Air Pollution
- Bovine TB
- Brownfields
- Drains
- Dredging
- Fracking
- Gas & Oil
- Indoor Air Quality

- Invasive Species
- Landfills
- Low-Level Radioactive Waste
- Mineral Rights
- Pest Control (Pesticides)
- Recycling
- Scrap Tires
- Septage Waste
- Severance Tax
- Soil Erosion & Sedimentation
- Solid Waste Management
- Wetlands

Finance and Budgeting

- Audits
- Bonding/Financing Projects & Debt
- Budget, Reserves & Balances
- Emergency Management
- Local Fees
- Pension Obligation Bonds

County Issues (cont.)

General Government

- Animal Shelters
- Cemeteries
- County Commissioners
- County Elected Officials
- Digital Records and Technology Requirements
- Disaster Management
- Elections
- FOIA/OMA

Intergovernmental Cooperation

- Planning & Zoning
- Regionalism
- Remonumentation
- Tribal Agreements
- Unfunded Mandates

Health/Human Services

- ACA Implementation
- EMS

- Foster Care
- Home Health Agencies
- Indigent Burials
- Medicaid
- Medical Care Facilities
- Medical Examiners
- Mental Health
- Public Health Department
- Seniors/Aging
- Substance Abuse Treatment
- Veterans
- Public Health
- Health Screening
- Immunizations
- Infectious Disease Control
- Restaurant Inspections
- STD Testing
- Water Testing

Labor and Retirement

- Arbitration
- Labor Contracts

- Liabilities (UAL)
- Medical Benefit Plans
- MERS
- Multipliers
- Unions
- Workers' Compensation
- Workforce Development
- Workforce Investment

Natural Resources

- DNR Trust Fund
- Hunting, Fishing, Snowmobiles
- Lakes and Streams
- Land Management
- Land Purchase
- Land Use
- Conservation Districts
- MSU Extension
- Parks and Recreation
- Timber Management

County Issues (cont.)

Public Safety

- 911
- Act 312
- Community Corrections
- Contracting with CVTs for law enforcement
- Jails
- Prisoner Re-Entry
- Probation
- Public Safety Officers
- Secondary Road Patrol
- Sentencing Guidelines
- Swift & Sure Sanctions (Probation Violations)
- Tethering

Taxation

- Assessing/Assessors
- Condemnation
- Defending Tax Appeals
- Delinquent Tax Revolving Fund
- Equalization
- Foreclosure

- Headlee
- Manufactured Housing
- Millages
- Personal Property Tax
- PILT
- Property Tax
- Sales Tax
- Special Assessments
- Tax Administration
- Tax Exemptions
- Tax Tribunal
- Use Tax

Transportation

- Act 51
- Airports
- Aviation Fuel
- Bike Trails
- County Road Commissions
- Diesel Tax
- Gas Tax
- MI Transportation Fund
- ORV's
- Public Transit

- Rails to Transportation
- Regional Transit Authority
- Registration Fees
- Roadkill
- Road Maintenance
- Sales Tax on Gas
- Speed Limits



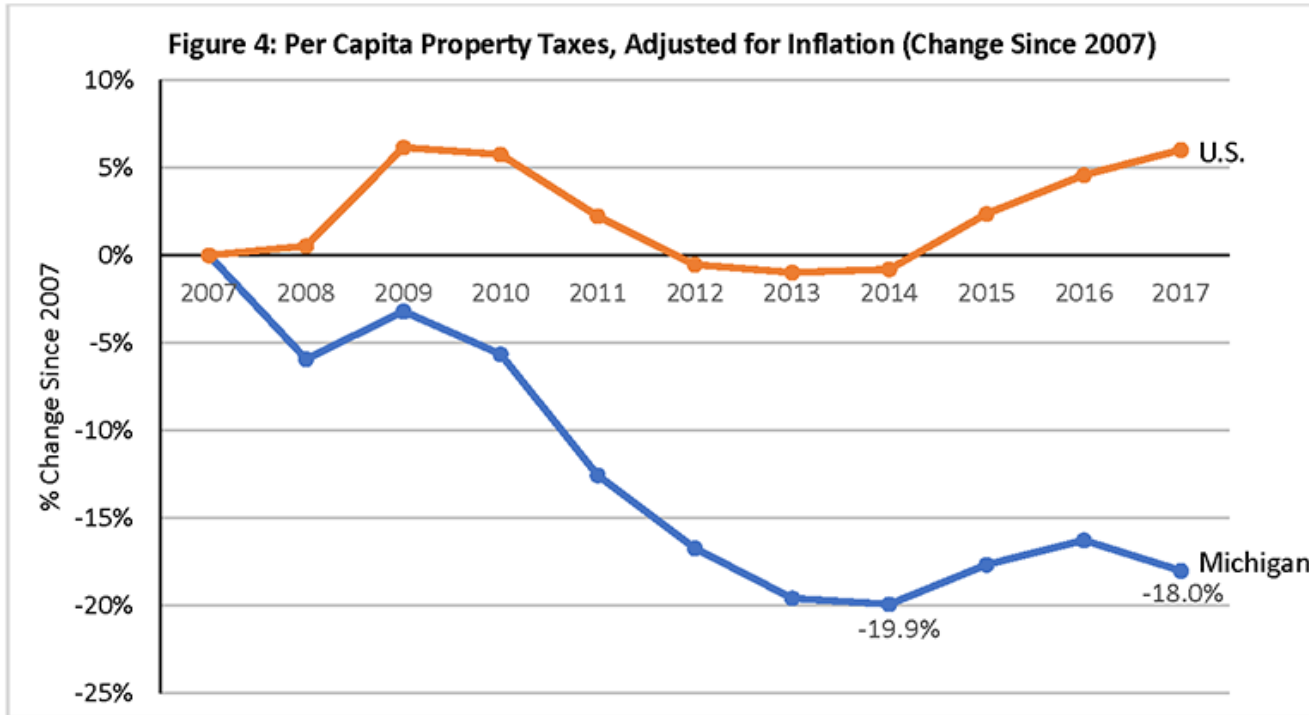
Michigan is uniquely ... BAD

Michigan is unique in the restrictiveness of the state's property tax limits: states typically use one of three main types of property tax limits, but Michigan uses all three. ...

These include a complicated set of rate limits, a tight assessment limit (implemented through Proposal A) and a strict levy limit (implemented via the Headlee Amendment).

Lincoln Institute of Land Policy, October 2020





Source: U.S. Census Bureau (2017).

The Great Recession remains a reality for locals

It took 11 years for nominal property tax collections to recover to their 2008 level. Adjusting for inflation, counties are now collecting almost \$1 billion less than they did in 2008.

Local Government Finance

State hasn't kept its end of the revenue deal

FY2000 revenue sharing to counties was \$214 million

Adjusted for inflation, that figure in FY2021 would be \$330 million

Actual FY2021 revenue sharing is \$232 million

Appendix 1: Unrestricted State Aid to Localities

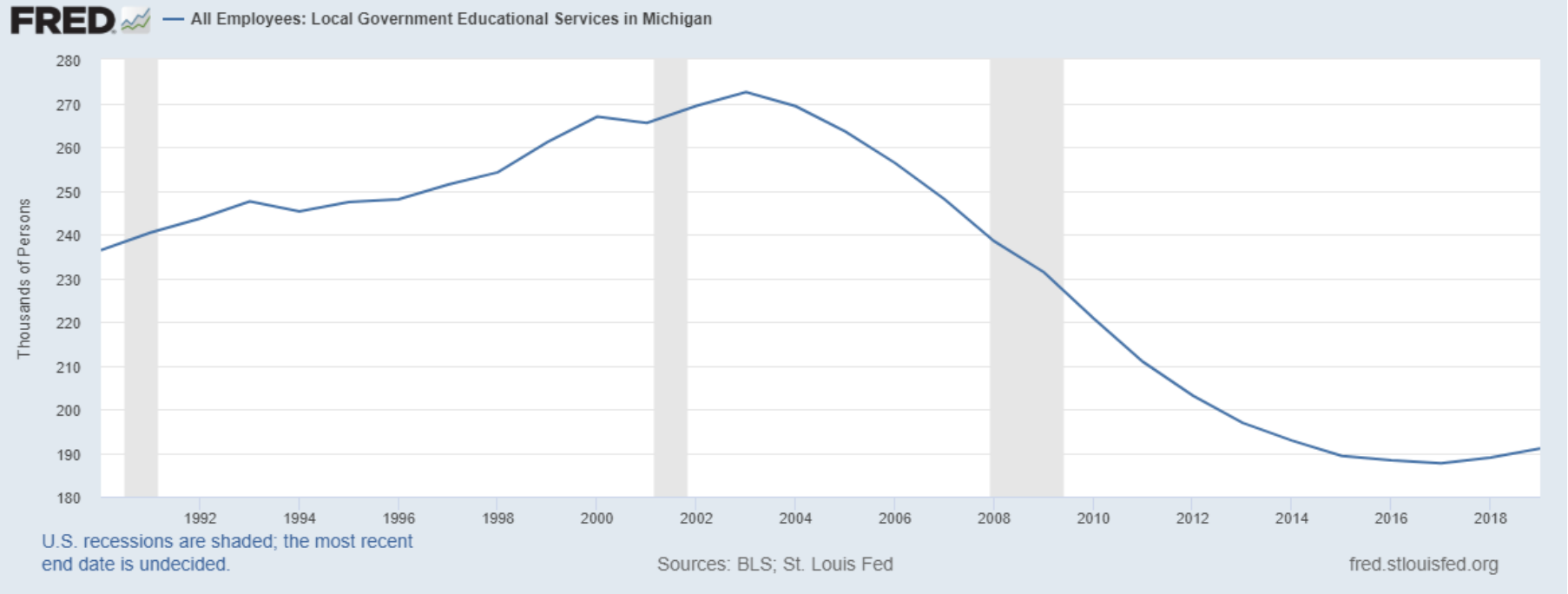
	% Change in Real per Capita Unrestricted State Aid			Unrestricted State Aid per Capita (in Real Dollars)			Unrestricted State Aid as % General Revenue (2017)
	2007-17	2007-12	2012-17	2007	2012	2017	
United States	-22%	-19%	-4%	\$61.38	\$49.87	\$47.97	3%
Arizona	-23%	-34%	16%	\$252.90	\$168.14	\$195.82	15%
Florida	-17%	-26%	12%	\$65.66	\$48.43	\$54.26	6%
Idaho	-10%	-3%	-7%	\$55.55	\$53.83	\$50.09	6%
Illinois	-4%	-12%	9%	\$297.62	\$261.52	\$285.27	18%
Massachusetts	-30%	-35%	8%	\$171.34	\$110.61	\$119.63	5%
Michigan	-34%	-33%	-2%	\$105.91	\$71.23	\$69.68	8%
Minnesota	-23%	-28%	6%	\$127.94	\$92.75	\$98.33	7%
Mississippi	-10%	-11%	1%	\$178.48	\$158.87	\$159.76	17%
Montana	-2%	-4%	2%	\$80.36	\$77.01	\$78.51	10%
Nevada	-26%	-35%	14%	\$276.60	\$180.92	\$205.70	27%
New Jersey	-41%	-28%	-18%	\$149.74	\$108.08	\$88.84	7%
New Mexico	-36%	-32%	-6%	\$277.43	\$189.08	\$178.24	15%
North Carolina	34%	20%	11%	\$39.02	\$46.98	\$52.16	7%
North Dakota	107%	44%	44%	\$52.15	\$75.19	\$107.99	7%
Tennessee	1%	-10%	12%	\$61.90	\$55.89	\$62.54	5%
Wisconsin	-35%	-3%	-33%	\$193.73	\$188.48	\$125.37	12%
Wyoming	-40%	-25%	-20%	\$464.20	\$347.12	\$277.81	24%

Source: Census of Government Finance 2007, 2012, 2017; Kass, Amanda, Michael Pagano, and Farhad Kaab Omeyr. "How States Provide Cities with General Revenue: An Analysis of Unrestricted State Aid" (2020).



State has worsened the revenue problem

In the last three legislative sessions, 2015-2020, legislators filed no fewer than **140 separate bills** involving property tax exemptions



Thinning ranks for growing challenges at local level

Michigan's long-term decline in public servants has only been exacerbated by the effects of COVID-19

Voters are willing to invest

When given a chance, voters approve property tax levies or renewals for local services:

- Aug. 2020 – 103 of 105 passed (98%)
- Nov. 2020 – 40 of 47 passed (85%)



Source: Lincoln Institute of Land Policy, Significant Features of the Property Tax (2020).

- **Extending County Commissioner Terms to Four Years**
- **Enacting Reforms to Improve the Functioning of Local Courts**
- **Bolstering Michigan’s System of Financing Local Government**
- **Ensuring the State Covers Costs for Property Tax Exemptions**
- **Adopting Measures to Reverse Damage Inflicted by “Dark Stores”**
- **Bolstering Michigan’s Human Services Programs**



- Represents counties in Michigan (622 county commissioners)
- Governed by 16-member board, which is advised by 7 committees in developing policy platforms:
 - *Finance*
 - *General Government*
 - *Environmental and Regulatory Affairs*
 - *Health and Human Services*
 - *Judiciary and Public Safety*
 - *Transportation*
 - *Agriculture*



- Conducts educational and advocacy efforts across Michigan

MIAC

MICHIGAN ASSOCIATION OF COUNTIES