



MICHIGAN IS RANKED DEAD LAST

in the U.S. when it comes to **state support** for local government[†].

THE ISSUE:

Michigan communities – the true drivers of economic prosperity – can't thrive in our broken municipal finance system. This means we can't create great places that attract talent and business.

For more than a decade, we've seen:

- **Money diverted away** from revenue sharing by the state
- Steep **drops in taxable values** that are horribly restrained by conflicting tax laws
- Little or **no ability** to solve the problem locally

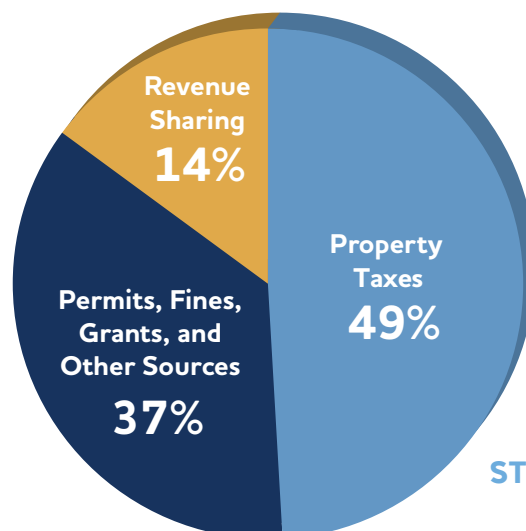
We need a new way forward.

MUNICIPAL GENERAL REVENUE BY SOURCE: 2016^{††}

MICHIGAN'S LOCAL
GOVERNMENTS
HAVE LOST

**\$8.6
BILLION**

IN STATE REVENUE
SHARING SINCE 2002^{†††}



Does not include Detroit

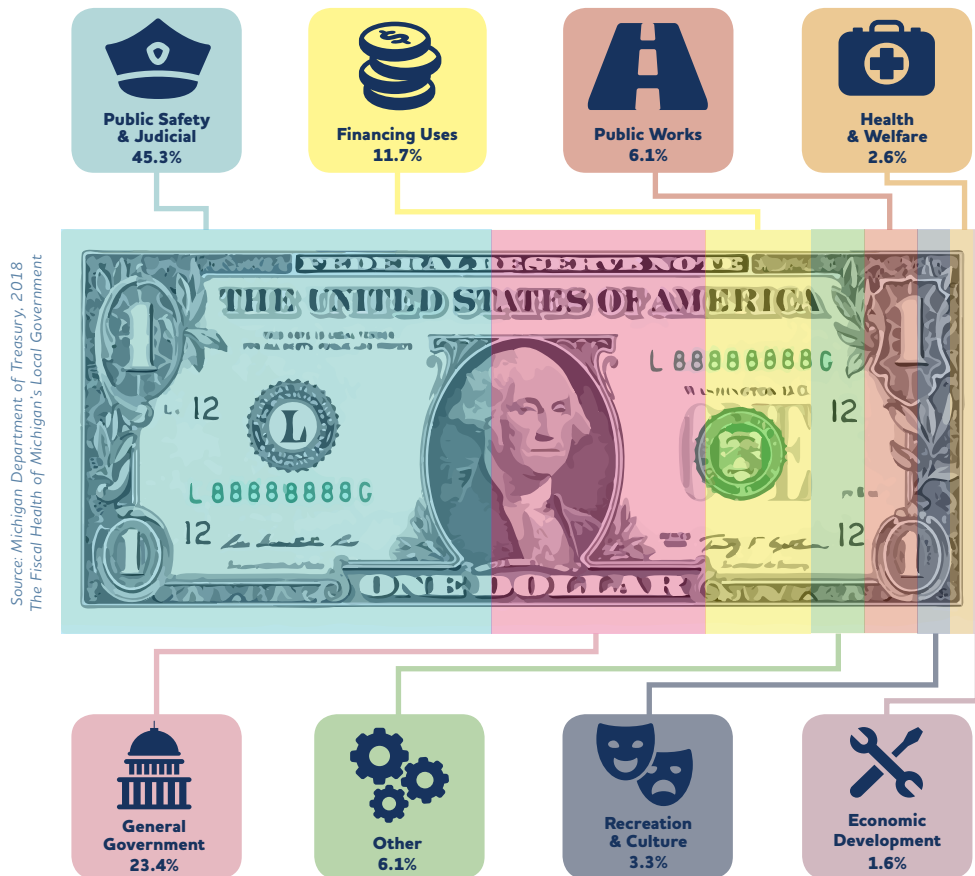
TAXABLE VALUE
FOR CITIES, VILLAGES,
AND TOWNSHIPS FELL
ON AVERAGE BY

13%

STATEWIDE BETWEEN 2008
AND 2012 AND HAS NOT
FULLY RECOVERED SINCE^{††}

LOCAL GOVERNMENT BUDGETS

Local governments are largely responsible for delivering the services Michigan residents and businesses expect in safe, vibrant communities.



Decisions made at the state level affect a community's ability to attract talent, business and families.

HOW CAN YOU HELP FIX THIS?

- Fully fund **revenue sharing** as mandated by state statute
- Resolve conflict between **Proposal A** and the **Headlee Amendment**, allowing funding to better track with the economy
- Provide local governments with more **sustainable revenue options** to fund infrastructure and core services
- Sustain retirees' health insurance benefits by allowing local governments to **modernize the health plans** they can offer

SOURCES:

† • U.S. Census Bureau, 2012 and 2002 Census of Governments: Finance

†† • Michigan Department of Treasury, 2018, The Fiscal Health of Michigan's Local Government

††† • House Fiscal Agency, Budget Briefing: State Revenue Sharing, June 2018



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