

**GRAND VALLEY METROPOLITAN COUNCIL
LEGISLATIVE COMMITTEE MEETING**

**January 14, 2004
9:30 a.m.**

40 Pearl St. NW Ste. 410
Grand Rapids, MI 49503

MINUTES

1. Call To Order

The meeting was called to order at 9:30 by GVMC Chairman Jim Buck.

ROLL CALL

Present:

Jim Buck	City of Grandville
Jim Day	Kent County
Cindy Heinbeck	Alpine Township
Don Hilton	Gaines Township
Paulien Luben	City of Hudsonville
Gayle McCrath	Grand Valley Metro Council
Jim Miedema	Jamestown Township
Rick Root	City of Kentwood
Bonnie Shupe	Cannon Township
Don Stypula	Grand Valley Metro Council

• **Approval of Minutes**

The minutes of the December meeting were reviewed.

MOTION – To approve the minutes of the December 2003 GVMC Legislative Committee meeting. MOVE - Root. SUPPORT – Luben. MOTION CARRIED.

2. Legislative Update

Don Stypula reported that the Revenue Estimating Conference was scheduled for today, January 14. The forecasts that come out of this meeting will be the data the Governor bases

her 2005 budget on. It is expected the budget will be presented around the first week in February. It is anticipated the shortfall for 2005 will be between \$900m and \$1.4 billion. The economy seems to be holding. There probably won't be any changes to the 2004 budget.

Mr. Stypula reported the House leadership wants a resolution to call for a ballot proposal in November which would freeze the income tax at 3.9%. If it passes in the House it will be brought up in the Senate.

Several members of the committee commented that that would be a bad idea and the people who they have talked to feel the same.

Chairman Buck asked how the State could have come up with more money for the school aid fund within the last 48 hours.

Mr. Stypula reported that spending over the Christmas holiday was greater than expected, resulting in more sales tax.

Pauline Luben questioned the legislation regarding special tools. She stated that almost everything here involves specialty tools and she questioned whether they would reclassify this.

Don Stypula pledged to check into it and communicate the information to all GVMC members.

Cindy Heinbeck reiterated her request from the January Board meeting for a list of budget cuts that Republican lawmakers felt were still viable in the budget. This information would help lobbying efforts to save what was left of revenue sharing.

Don Stypula again pledged to get that to all GVMC members.

TEA-21

GVMC will continue to urge its congressional delegation to reauthorize TEA-21. There is only about one month left in its extension. There are many competing proposals, but it doesn't appear any one will be approved.

Don Stypula predicted that another extension would be enacted and the reauthorization wouldn't happen until after the election.

Congressional Tax Overhaul

The committee discussed the Grassley proposal which would affect sale/lease back

transactions. Congressman Grassley has targeted these transactions as tax loopholes and is working to close them. The proposal could affect those entities which participate in these transactions, making them more expensive. Hudsonville was the only entity represented at the committee meeting which engages in sale/lease back.

Chairman Buck suggested it was an item which could be set aside and watched, but not acted upon at the moment, as it did not seem to affect the membership to a large extent.

Mobile Home Legislation

GVMC combined forces with MTA, MML, MAC, SEMCOG and schools last year on a joint position on mobile homes which it presented to legislators. The coalition is continuing to work on the issue and wrote a letter to the Governor explaining their position. The Governor had recently made comments which could be interpreted as not strongly supporting change in mobile home legislation. The coalition will continue to work together on the issue. It is renewing its efforts with legislators, including Randy Richardville, to make these changes a reality.

MOTION to approve sending the letter to the Governor urging her to support changes to mobile home legislation. MOVE – Hilton. SUPPORT – Holtvluwer. MOTION CARRIED.

Solid Waste Tipping Fees

Don Stypula reported the legislation on tipping fees was still alive, but was not expected to move in the near future. The bill does not define where the money will go other than to the State to promote recycling programs. It is the wrong time for additional fees/taxes and movement on the issue is not expected.

Adjourn – 11:00

MOTION to Adjourn. MOVE – Hilton. SUPPORT – Root. MOTION CARRIED.