

**GRAND VALLEY METROPOLITAN COUNCIL  
LEGISLATIVE COMMITTEE MEETING**

**March 9, 2005  
8:30 a.m.**

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

**MINUTES**

**1. Call To Order**

The meeting was called to order at 8:35 by Chairman Ted Vonk.

**Present:**

Jim Beelen	Allendale Township
Jim Day	Kent County
Mike DeVries	Grand Rapids Township
Don Hilton	Gaines Township
Barb Holt	City of Walker
Abed Itani	Grand Valley Metro Council
Gayle McCrath	Grand Valley Metro Council
Sam Moore	Grand Rapids Area Chamber of Commerce
Rick Root	City of Kentwood
Don Stypula	Grand Valley Metro Council
Ted Vonk	Kent County

**2. Approval of Minutes**

**MOTION - To approve the minutes of the February, 2005, GVMC Legislative Committee meeting. MOVE – Hilton. SUPPORT – Day. MOTION CARRIED.**

**3. Discussion of GVMC 2005-2006 Legislative Priorities – Motor Fuels Tax / Act 51 Funding Formula**

Don Stypula discussed the proposed rewording of the GVMC transportation funding position:

*GVMC supports efforts in the U.S. Congress and the Michigan Legislature to provide increased funding for all local transportation programs including surface, public transit and air. Dedicated transportation funds should be distributed to local transportation agencies in a fair and equitable manner.*

*GVMC opposes any effort by the state or federal governments to divert funds dedicated to transportation programs for non-transportation related purposes.*

It was noted that the GVMC position will be changed to as stated above.

Don Stypula reported that it appears the legislature isn't amiable to opening up the Act 51 formula; however there are concerns that funds may be diverted to balance the budget.

**4. Message for March 10, 2005, meeting of Senate Local, Urban and State Affairs Committee at Muskegon Community College.**

Don Stypula reported the Senate Local, Urban and State Affairs Committee will be meeting at Muskegon Community College on March 10, 2005. He distributed a list of talking points and asked the committee for their input.

Rick Root stated tax incentives, tax breaks and abatements needed to be discussed. When legislation is written giving these out, they need to consider who is actually writing the check. Usually it is at the expense of the local government.

Don Hilton stated assessments on farm land need to be reconsidered. They should be assessed on its current use and not its possible use. The legislature said this would be favoring one type of industry and it couldn't be done, yet they did it for tool and die.

Jim Buck added that the quality of the legislation on the tool and die issue was very poor.

Don Stypula stated when legislation is proposed, local officials need to make sure they talk to their legislators.

Don Hilton said that the State needed to stay out of mandating how revenue sharing funds were used. The legislature ties the hands of locals and tries to put restrictions on how the funds can be used.

Mike DeVries reported the State offering "incentives" could be financially dangerous for local government. He cited the example of forming a local police precinct to be paid for through promised revenue sharing, only to have the State renege on the payments. He added the State should leave local government alone and let it manage according to its promised formula. Local entities are penalized for sound fiscal management when their rainy day or fund balances are cited as reasons why they should not receive their revenue sharing payments. They shouldn't be penalized because they are good stewards of the public's funds.

Jim Beelen stated the legislature is all keyed up over the *Price of Government*, but local governments have been doing business like this all along.

Don Hilton added that it takes locals a long time to save enough money for big expenditures; they shouldn't be criticized for doing so.

Don Stypula asked if the committee thought it would be wise to ask legislators to require an analysis of financial impact at the local level when a new bill is proposed.

Jim Beelen stated that he agreed.

Don Stypula asked the committee to review the list he put together to talk to the committee about:

- Amend Act 312 – Binding Arbitration
- Address local funding problems caused by the confluence of Headlee and Proposal A.
- Address some of the problems associated with the 1998 Alexander Bolt vs. City of Lansing decision by the Michigan Supreme Court.
- Provide financial / regulatory incentives to counties and local units to encourage cooperative sharing of local services.
- Lessen the burden of state reporting requirements for counties and local units under a plethora of public acts.
- Address DEQ regulatory mandates

Rick Root reiterated that financial incentives were not a good idea as there was concern over who would really be footing the bill, and if the promised incentives would actually materialize after additional expenses were incurred by locals.

**5. House and Senate Transportation Committee Meeting on March 17, at the RAPID**

Don Stypula reported he would be attending the House and Senate Transportation Committee meeting on March 17, at the RAPID with Transportation Director Abed Itani, and would be participating in his presentation.

**6. Update on TEA-21**

Don Stypula reported the U.S. House did their part on TEA-21, but the Senate won't take it up until the 3<sup>rd</sup> week in April.

**7. Other**

Committee Chair Ted Vonk reported there would be no meeting in the month of April.

**8. Adjourn**