

## RESOLUTION BY THE DETROIT CITY COUNCIL

### RESOLUTION IN OPPOSITION TO HB 5977

**WHEREAS,** The Michigan Constitution, Art. VIII, Sec. 21, states that “Under such general laws, the electors of each city and village shall have power and authority to frame, adopt and amend its charter, and to amend an existing charter of the city or village heretofore granted or passed by the legislature for the government of the city or village and, through its regularly constituted authority, to pass all laws and ordinances relating to its municipal concerns, subject to the constitution and general laws of this state”; and

**WHEREAS,** The Michigan Home Rule City Act, MCL 117.1 *et seq*, recognizes the lawful and proper powers of local City government to make local laws, adapt to local conditions, and provide transparent and accountable governance of local communities; and

**WHEREAS,** On December 2, 2014, the lame duck session of the Michigan State Legislature introduced HB 5977, the “local government employer mandate prohibition act”; and

**WHEREAS,** HB 5977 contradicts the intent of the above-cited provisions of the Michigan State Constitution and the Home Rule City Act, by seeking to impose a rigid, one-size-fits-all policy prescription prohibiting Community Benefits Agreement Ordinances, and local requirements “related to employee wages or benefits, such as a requirement for an employer to provide an employee with a minimum wage, particular benefits, a specified amount of paid or unpaid leave time, or the payment of a prevailing wage”; and

**WHEREAS,** In most instances because of proximity to the issues, local government is more knowledgeable and better able to assess specific needs and prescribe such standards and regulations for their own local community than is State government in Lansing; and the overly broad proposed legislation undercuts many carefully considered existing development and economic policies; and

**WHEREAS,** Local governments have a particular interest in negotiations with recipients of tax abatements and development incentives, because they are diverting monies that would otherwise be available for local government services, and therefore should be in a position to require returns on such investments, including specific economic benefits for their residents through employment benefits; and

**WHEREAS,** HB 5977 therefore undermines the essential spirit and structure of the constitutionally envisioned authority of municipalities to self-govern; and

**WHEREAS**, Under HB 5977, with respect to any and all issues of community benefits, wages and benefits from employment and related goals of equitable economic development, Detroit and all other local municipal governments in Michigan would be deprived of any and all legal power to mandate, require or regulate such local issues and benefits, which would be inappropriate and inadvisable; **NOW THEREFORE BE IT**

**RESOLVED**, That Detroit City Council joins the Michigan Municipal League, the Detroit Free Press and other municipalities in vigorously opposing HB 5977; **AND NOW THEREFORE BE IT FINALLY**

**RESOLVED**, That copies of this resolution shall be transmitted to the Mayor and Corporation Counsel, the City's State lobbyists, the Governor and the Michigan delegation in the State Legislature.

December 8, 2014