



MICHIGAN TOWNSHIPS ASSOCIATION

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**Proposed \$90 Million in State Revenue
Cuts Put Several Local Townships At Risk**
*Michigan townships urge legislators to oppose
revenue sharing cuts passed by the MI Senate*

LANSING — For many Michigan townships struggling to provide essential services with reduced funding from unprecedented property tax declines and home foreclosures, the Michigan Senate's budget bill would be a devastating blow. The Michigan Legislature is expected to consider revenue sharing budget bills at levels previously approved by the Senate that include a 20% reduction of statutory revenue sharing funding. Local township officials are joining other township officials in urging the House to oppose the pending deep cuts in revenue sharing.

The Michigan Senate approved \$90 million in statutory revenue cuts earlier this summer that would jeopardize essential services provided by many of Michigan's townships. Public safety, senior programs, road funding and parks are among the critical services at risk of being reduced and/or eliminated by townships around the state.

In Muskegon County, Egelston Township and Muskegon Charter Township are very concerned about the negative impact they would face if the Legislature moves forward with these significant cuts.

"This would be extremely devastating to our township," said Egelston Township Clerk Joan Raap. "Without the funds that we receive from

statutory revenue sharing, we couldn't have full-time officials. There could be no full-time Department of Public Works, and our Fire Department would be compromised."

"These revenue sharing cuts proposed by the Legislature to townships, will negatively impact the delivery of services and quality of life in our local communities," said Michigan Townships Association President Colleen Schwartz who also serves as the Clerk for Milford Charter Township in Oakland County. "These drastic cuts come at a time when townships are already struggling with reduced revenues from property foreclosures and lower property values. The cuts threaten our work to attract businesses and jobs to Michigan."

Michigan townships have a long track record of being the most efficient form of government and being closest to the people. Townships deliver government services at a lower cost to taxpayers than any other governmental units in the state. More than half of all Michigan residents live in a township.

Due to continued cuts by the state, total statutory revenue sharing amounts being paid to townships, cities and villages have been reduced from \$868 million in 2001-02 to \$388 million this current year.

Townships receive two revenue sharing funds from the state:

- Statutory revenue sharing is appropriated each year by the Legislature/governor.
- Constitutional revenue is determined by the sales tax collections received by the state each year. However, the Legislature/governor have no oversight over this portion of revenue sharing. It is constitutionally protected.

The Michigan Townships Association promotes the interests of Michigan townships by fostering strong, vibrant communities; advocating legislation to meet 21st century challenges; developing knowledgeable township officials and enthusiastic supporters of township government; and encouraging ethical practices of elected officials who uphold the traditions and unique characteristics of township government and the values of the people of Michigan.

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