



NEWS RELEASE

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September 25, 2013

Stephanie Ericson
Communications Coordinator
ericson@micounties.org
(517) 372-5374
(313) 622-5262

Study Highlights Broken Model for Funding Vital Services

LANSING, Mich. – The Citizens Research Council of Michigan published a report calculating the widespread financial hardships of local governments over the last decade.

The report, which took data from 2000 until 2013, stated that “the contraction of the local government sector is primarily a consequence of the housing market collapse, state policy decisions that impact local government revenue, and to some extent, privatization of local government services.” The report goes on to say that local government employment losses now exceed losses seen by the private sector.

Counties have seen continued declines in revenue, including state reductions in payments to counties for state imposed programs and services, and a 15% reduction in property taxes due to the housing collapse. Counties have led the charge out of the recession by becoming leaner, cooperating and consolidating services and by continually tightening their belts. Unfortunately, counties are stretched to the limit, and services are being affected. If the state continues to defund its obligations to counties, services will become undeliverable.

Losses in both revenue and employees, and an inability to increase revenue due to constitutional property tax rate limits, have left counties struggling to provide vital services to Michigan residents. These services include: funding the states court system, foster care, law enforcement, vital records, jails, public health, 9-1-1, senior and aging services, and more.

“It’s time the state recognizes the leadership and sacrifices of counties and pays for the state services it requires us to implement” said Michigan Association of Counties President Shelley Pinkelman.

The full report can be found at <http://crcmich.org/PUBLICAT/2010s/2013/memo1124.html>

The Michigan Association of Counties (M.A.C.) founded on February 1, 1898, is the only statewide organization dedicated to the representation of all county commissioners in Michigan. M.A.C. is a non-partisan, non-profit organization which advances education, communication and cooperation among county government officials in the state of Michigan. M.A.C. is the counties’ voice at the State Capitol, providing legislative support on key issues affecting counties.

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