House Agriculture Committee

Representatives of the Committee, thank you for the opportunity to speak to you today. My name is William Gordon and I am here today as chair of the Issues Committee of the Washtenaw County Republican Party.

On May 8th, 2014, the Executive Committee of the Washtenaw County Republican Party passed a resolution in support of HB5379. A copy of that resolution is attached.

Gentleman, I do not believe this is a complex issue. What our county party and many citizens of Washtenaw County desire is the right to vote on tax increases, as was mandated by the Headlee Amendment to the State Constitution. The county party is not necessarily against funding Ann Arbor Spark or any other entity that this tax funds. But we are absolutely against these taxes being imposed on us without a proper vote of the people. As I have said in my previous statement to the committee, if the entities that are being funding with this excess tax are of *true value to the citizens of Washtenaw County, they will vote to approve the tax.* But if that is not the case, then allowing this 1913 law to stand subverts the will of the people.

The passage of HB5379 will show that the legislature believes the people's will, as *expressed in the Headlee Amendment, is to be respected.*

I urge you to pass this bill out of committee today!

Thank you for your time.

Respectfully submitted,

William M. Gordon

4408 Corey Circle

Ann Arbor, MI 48103

House Agriculture Committee

Representatives of the Committee, thank you for the opportunity to speak to you today. My name is William Gordon and I am here as a resident of Scio Township in Washtenaw County, just west of Ann Arbor. As a matter of context I will let you know that I am the Issues Committee Chair Person for both the Washtenaw County Republican Party and the 12th District Republican Committee. Also, in the interest of full disclosure, I work part time for The Monaghan Farm Bureau Agency in Ann Arbor, although that has no connection to my being here today.

I want to share with you my support for House Bill 5379. Last fall, the County Commission of Washtenaw County voted to levy a tax increase on the citizens of Washtenaw County, without a vote of the people, using Act 88 of 1913 as justification for their action. Apparently this tax has been voted in and renewed in years previous without most people knowing it.

It is my opinion that this tax is an unconstitutional violation of Article IX, Section 6 of the Michigan Constitution, known commonly as the Headlee Amendment. I would note that the legal Counsel to the Washtenaw County Commission will verbally state that this tax is legal, but will not or cannot provide a WRITTEN justification of it.

If we suspend belief for a moment, and accept that the tax could be constitutional, I would then submit that this tax is being used illegally in violation of the intent of the 1913 Act which includes "...advertising the agricultural advantages..." and "...displaying the products and industries of any county in the state at domestic and foreign expositions..."

I have included in my written statement, an account of the uses that were stated for the tax, as reported by The Ann Arbor Chronicle on October 17, 2013:

> **The millage would be levied in December 2013 and would raise an estimated $972,635.**
>
> **According to a staff memo, the funds would be allocated to the following groups:**

- **$423,135: Washtenaw County office of community & economic development**
- **$200,000: Ann Arbor SPARK**
- **$100,000: Eastern Leaders Group**
- **$52,000: Promotion of Heritage Tourism in Washtenaw County**
- **$50,000: SPARK East**
- **$50,000: Detroit Region Aerotropolis**
- **$82,500: Washtenaw County 4-H**
- **$15,000: Washtenaw County 4-H Youth Show**

Washtenaw County is reportedly collecting over $970,000 from this tax, and it is difficult to determine if any of it fits the wording of the Act. It is clear to me that my County Commission is stretching the definitions in Act 88 like a game of Twister in order to collect this tax money.

But why do I care? Some would say it's only a couple bucks per household, who cares? Well first of all, I am offended on principle that I am being taxed without exercising my legal right to vote on and approve this tax. If the projects and entities being funded with this tax are of proper value to the citizens of Washtenaw County, we would authorize this tax in a proper vote of the people, as has been done in Gratiot County. Alternatively, if the County Commission really believes these projects and entities are vital to the County, they can re-direct the tax mills that they legally collect under Headlee to pay for them. But what we see instead, in my opinion, is a Commission that is funding their pet projects, using a dubious loophole from 1913.

The second reason I am opposed to the tax and in favor of this bill to repeal it, is that this tax currently is sucking nearly 1 million dollars out of the free market economy of Washtenaw County and funneling those dollars to special 'winners' selected by the County Commission. What's more, if this is allowed to continue, nothing will stop the County Commission from more than quadrupling this subtraction from our local economy, because of the allowable tax rate in Act 88.

For all the reasons I have stated, the citizens of Washtenaw County COULD fight this illegal tax in the courts. But that would be a double waste of taxpayer dollars, as we would be in essence suing ourselves.

Therefore, myself and the citizens of Washtenaw County, and potentially every county in Michigan, would be gratefully served by the repeal of Act 88 of 1913 and the passage of this bill.

In closing, I would like to stress that Act 88 of 1913 is a messy and confusing law, which is being used for messy and confusing purposes. With HB 5379, you have the opportunity to clean up the mess.

Thank you for your time today.

Respectfully submitted,

William M. Gordon

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