

News Release

Gingell: Transit legislation must include protections for taxpayers, transparency requirements

Republican Caucus Leader calls on state legislators to adopt amendments in advance of expected vote on HB 5229, enabling a new regional transit authority in southeast Michigan.

February 10, 2020, OAKLAND COUNTY, MI. – Commissioner **Michael Gingell** (R-Lake Orion), leader of the Republican Caucus of the Oakland County Board of Commissioners, has released a letter to the leadership of the Michigan legislature strongly encouraging the adoption of several amendments to HB 5229 that would add critical protections for taxpayers and transparency requirements. HB 5229 amends the Municipal Partnership Act of 2011 to allow Oakland, Wayne and Washtenaw counties, along with the City of Detroit, to place individual property tax proposals on ballots to support future mass transit improvements across the region.

“These amendments will ensure that the rights of all Oakland County residents are protected and that any new transit entity operates with full transparency,” Gingell said. “Before we rush into yet another mass transit tax increase vote, let’s be thoughtful and open about the long-term implications for all taxpayers in the region.”

In his letter to leaders and members of the legislature, Commissioner Gingell has requested that several provisions be added to HB 5229 pending before the Michigan House of Representatives. Among these provisions are:

- Respecting the right of local government governing bodies and voters to self-determine whether they wish to participate in the regional transit district, similar to the rights granted in Oakland County for SMART (Suburban Mobility Authority for Regional Transportation).
- Require a two-thirds vote of the governing body of a participating area to form a regional transit contract and to place the transit question on the ballot.
- Require, prior to submittal of a tax question to the governing body, that a detailed transit plan be completed and published in an easy to access, transparent format. Prior to submission of the tax

question to the governing board, input shall be formally taken from local governments and stakeholders and then incorporated into the plan documents.

- Decrease the tax limitation to 3 mills and include a provision limiting the duration of the millage.
- Require that the voters in each participating entity approve a renewal of a tax.
- Protections for taxpayers that are included in the Regional Transportation Authority Act (RTA), 2012 PA 387. Among the provisions included in the RTA Act but excluded from HB 5229 are:
 1. Approval from each participating government in the service area to place the transit tax on the ballot, take on the liabilities of an existing transportation system (like the Detroit Department of Transportation) and to acquire costly transit systems (M-1 Rail).
 2. Assurance that 85 percent of the tax revenue proceeds from each participating government be expended on public transportation services in that jurisdiction.
 3. Professionalism and ethics standards for the governing board members for the new transit authority.
 4. Business standards for purchasing to ensure that fraudulent convicted felons are excluded from bidding and excessive new regulations cannot be adopted to limit competition among vendors.
 5. Standards for gathering and considering public input.

House Bill 5229 is currently pending before the Michigan House of Representatives. Oakland County Executive David Coulter, Wayne County Executive Warren Evans, Detroit Mayor Mike Duggan and Washtenaw County Commission Chairman Jason Morgan have announced their plans to utilize the provisions of HB 5229, if adopted, to move forward with a new regional transit system. Under the provisions of the law, the government entities would enter into a joint contract for services and place a request for a property tax increase before the voters on the November 3, 2020 ballot. As currently written, a majority vote of the governing body of each government (the Board of Commissioners and City Council), would be required to take these steps.

Commissioner Gingell's letter to the legislators adds to a bipartisan list of voices expressing concerns about HB 5229. Recently, 21 Oakland County township supervisors, Republicans and Democrats, unanimously adopted a resolution expressing their opposition to the legislation as currently written.

Commissioner Gingell is the current Chairman of the Republican caucus within the Oakland County Board of Commissioners. He is serving his seventh term as an Oakland County Commissioner and is recognized as the longest serving Chairman of the Oakland County Board of Commissioners in Oakland County history.

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