

Memorandum

TO: Michigan Legislators

FROM: Tony Daunt – Executive Director

DATE: February 20, 2020

RE: Continued Opposition to House Bill 5229

The Michigan Freedom Fund remains strongly opposed House Bill 5229 and urges, in the strongest possible terms, members of the Michigan state House and Senate to **VOTE NO**.

Over the past two months, the Freedom Fund has engaged regularly with members of the legislature and with their staff to address serious concerns surrounding a bill written to make it easier for local governments to raise taxes on their residents for unwanted, unused, and outdated mass transit projects.

We are grateful to lawmakers and staff who have responded to a variety of taxpayers' concerns and taken meaningful steps to improve the legislation. Unfortunately, those proposed changes and amendments do not go nearly far enough.

The bill, for instance, still empowers local central planners and special interests to attempt to levy far more than the 1.2 mills for unpopular regional transit taxes that was <u>defeated by voters</u> in 2016.

After Governor Whitmer's spectacular failure to gain even Democrat support for her 45 cents per gallon gas tax hike, her latest scheme to unilaterally rack up \$3.5 billion in debt on the state's credit card for a tiny percentage of Michigan's roads completely neglects the so-called "driveway to the highway" roads that are most traveled. With such reckless behavior coming from the Governor, legislators should be doing everything they can to *prevent* local governments from adding to the fiscal burden of Michiganians, *NOT promoting* it!

We encourage you to view this legislation for what it is – a smoother pathway for local governments to raise taxes on their residents – and reiterate our request that you reject HB 5229.