

**A RESOLUTION OPPOSING MICHIGAN STATE SENATE BILL 1031, A BILL WHICH WOULD AMEND
MICHIGAN'S *General Property Tax Act* TO EXEMPT QUALIFIED UTILITY PERSONAL PROPERTY FROM
TAXATION**

Washtenaw County Board of Commissioners

SEPTEMBER 19, 2018

WHEREAS, Senate Bill 1031 (SB 1031) seeks to amend 1893 PA 2016, the General Property Tax Act, to exempt qualified utility personal property from being subject to the collection of taxes under the Act; and

WHEREAS, "qualified utility personal property" under the Act includes *all* of the following sets of utility personal property initially installed in the State of Michigan after December 31, 2017, including: electric transmission and distribution systems; substation equipment; spare parts; water treatment, transmission, and distribution systems; gas storage equipment; gas and oil distribution systems; and transmission lines of gas and oil transporting companies; and

WHEREAS, utility companies operating in Washtenaw County—like other businesses, including those in the renewable energy sector, which are not exempt from the Property Tax—use common good resources paid for out of property tax revenues, such as county roads and bridges; and

WHEREAS, SB 1031 would subsidize the fossil fuel sector of the energy industry, while not providing a comparable subsidy to the renewable energy sector, thus promoting climate change; and

WHEREAS, SB 1031, if passed, will impose a substantial financial burden on Washtenaw County and its local jurisdictions, as it would not only reduce personal property tax revenues in 2019, but every year thereafter—and those annual losses would continue to increase, since as property ages and is replaced, all eligible utility personal property, amounting to hundreds of millions of dollars, would eventually be exempt; and

WHEREAS, SB 1031 was reported favorably by the State Senate Committee on Finance without amendment to the Committee of the Whole on June 6, 2018;

THEREFORE BE IT RESOLVED, the Washtenaw County Board of Commissioners strongly opposes SB 1031; and

BE IT FURTHER RESOLVED, the Washtenaw County Board of Commissioners calls on its representatives in the Michigan State Senate to oppose and vote against this bill, and calls on its representatives in the Michigan State House to oppose and vote against any House version of this bill; and

BE IT FURTHER RESOLVED, the Washtenaw County Board of Commissioners directs the County Administrator to send copies of this Resolution to its state representatives and state senators; the Michigan Association of Counties, the other 82 Michigan counties; and the townships and municipalities of Washtenaw County.

COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A	COMMISSIONER	Y	N	A
Brabec	X			LaBarre	X			Smith	X		
Deatrick	X			Martinez-Kratz			X				
Jamnick	X			Morgan	X						
Jefferson	X			Ping			X				

CLERK/REGISTER'S CERTIFICATE - CERTIFIED COPY

ROLL CALL VOTE:

7 0 2

STATE OF MICHIGAN)

I, Lawrence Kestenbaum, Clerk/Register of said County of Washtenaw and Clerk of Circuit Court for said County, do hereby certify that the foregoing is a true and accurate copy of a resolution adopted by the Washtenaw County Board of Commissioners at a session held at the County Administration Building in the City of Ann Arbor, Michigan, on September 19th, 2018, as it appears of record in my office.

COUNTY OF WASHTENAW)^{SS}.

In Testimony Whereof, I have hereunto set my hand and affixed the seal of said Court at Ann Arbor, this 20th day of September, 2018.

LAWRENCE KESTENBAUM, Clerk/Register

BY: _____ Deputy Clerk



Res. No. 18-143