

Michigan Chamber of Commerce Supports Fiscal Accountability; Retaining Public Act 4

LANSING, Mich., April 30, 2012 [/PRNewswire/](#) -- The Michigan Chamber of Commerce Board of Directors has voted unanimously to support retaining Michigan's Local Government and School District Fiscal Accountability Act, Public Act 4 of 2011. The Chamber believes repeal of this law would severely hinder state government's effort to improve the fiscal health of local governments and public schools.

"The state of Michigan is well on its way to economic recovery, but some local communities are still struggling financially," said Rich Studley, President & CEO of the Michigan Chamber of Commerce. "The purpose of Public Act 4, often referred to as the state's emergency manager law, is to encourage fiscal responsibility and to prevent city or school district bankruptcies."

"The government employee union bosses and political activists who want to repeal P.A. 4 are more interested in union control of local government than local control," added Studley. "The bottom line for Michigan's taxpayers is clear: repeal of the state's emergency manager law would result in less fiscal accountability and more city and school district bankruptcies."

"P.A. 4 allows for a more proactive approach to saving local communities, government or school districts from financial ruin and should remain in place," noted Jim Holcomb, Senior Vice President, Business Advocacy & General Counsel for the Michigan Chamber. "The focus of the Snyder Administration and legislative leaders in Lansing has been reform and growth; P.A. 4 is important public policy that allows for both, which is why it should be retained."

"The first emergency manager law was the Local Government Fiscal Accountability Act of 1990 (Public Act 72 of 1990)," explained Holcomb. "Under this law, seven Michigan communities had an emergency manager installed."

"With the recent economic downturn negatively affecting many communities, it was clear the original law was not sufficient to prevent financial collapse of local units of government or school districts," Holcomb continued. "Gov. Rick Snyder called for revisions to P.A. 72 to strengthen the law and allow for earlier intervention and more meaningful reform in order to return any local government or school district to fiscal health."

The Michigan Chamber of Commerce is a statewide business organization representing approximately 6,800 employers, trade associations and local chambers of commerce. The Michigan Chamber represents businesses of every size and type in all 83 counties of the state. Michigan Chamber member businesses provide jobs to 1.5 million residents. One of every 2.6 employees in Michigan works for a Chamber member firm. The Chamber was established in 1959 to be an advocate for Michigan's job providers in the legislative, political and legal process. It is one of only four state chambers of commerce in the nation accredited by the U.S. Chamber of Commerce.

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