



# THE ADVOCATE

July 2014

## August Ballot: Understanding Proposal 1

On August 5<sup>th</sup> voters will be asked to decide the fate of Proposal 1. Though on the surface this ballot question may seem to have little to do with seniors, it in fact provides a mechanism to replace revenue sharing from the state which would be lost by communities given changes in the State's Personal Property Tax signed into law in 2012. The revenue sharing received by communities is used to support local services including schools, police and fire and senior millages. If Proposal 1 fails there will be no guarantee that local governments will receive replacement funds lost from the Personal Property Tax changes and local services could be jeopardized.

### In This Issue:

- August Ballot Proposal One
- Local Millage Votes:  
Macomb, Oakland and Wayne Counties
- Stricter Penalties for Elder Abuse
- Older American's Act Reauthorization

### Ballot Proposal 1 as it will appear on the August 5 Primary Ballot:

*"APPROVAL OR DISAPPROVAL OF AMENDATORY ACT TO REDUCE STATE USE TAX AND REPLACE WITH A LOCAL COMMUNITY STABILIZATION SHARE TO MODERNIZE THE TAX SYSTEM TO HELP SMALL BUSINESSES GROW AND CREATE JOBS"*

*The amendatory act adopted by the Legislature would:*

1. *Reduce the state use tax and replace with a local community stabilization share of the tax for the purpose of modernizing the tax system to help small businesses grow and create jobs in Michigan.*
2. *Require Local Community Stabilization Authority to provide revenue to local governments dedicated for local purposes, including police safety, fire protection, and ambulance emergency services.*
3. *Increase portion of state use tax dedicated for aid to local school districts.*
4. *Prohibit Authority from increasing taxes.*
5. *Prohibit total use tax rate from exceeding existing constitutional 6% limitation.*

*Should this law be approved?*

There is concern that this ballot issue is not well understood because it is both complex and it deals with taxes. It is important to note that this proposal does not increase taxes. It modifies the ways in which use taxes are collected and distributed to communities.

The Area Agency on Aging 1-B is in support of Proposal 1 on the August 5 primary ballot as it provides a permanent replacement of lost Personal Property Tax revenue for senior millage funding.

## **August Primary: Three Millage Questions for Voters Directly Impact Seniors and Residents with a Disability**

Voters in Macomb, Oakland, St. Clair and Wayne counties will face key millage decisions impacting seniors on the August 5, 2014 primary ballot. A millage is a voter approved initiative that enables local units of government to raise revenue based upon assessed property tax rates for specific projects or programs such as home delivered meals or local transportation services.

The below millages will appear on the August 5 primary ballot. In order to vote in the primary, voters must register no later than July 7. If you are unable to make it to the polls, contact the Secretary of State to obtain and absentee ballot.

**SMART Millage:** Every day SMART (the Suburban Mobility Authority for Regional Transportation) helps tens of thousands of family members, neighbors and friends get to doctor appointments, school, jobs, grocery stores and much more. SMART which operates buses in Macomb, Oakland and Wayne counties is seeking to increase their current millage from .59 mils to 1.0 mils. This represents the first increase in millage funding in 12 years.

Decreasing property tax values have resulted in a loss of nearly \$50 million in revenue since 2008. In addition 80% of SMART's fleet is in need of repair or replacement with each bus having over 500,000 miles.

Supporters of SMART in Oakland, Macomb and Wayne Counties should vote "YES" on August 5 to keep SMART buses rolling.

**St. Clair County Senior Citizen Service Millage Combination and Renewal:** First levied in 1979, the Senior Citizen Service Millage was set at 0.5 mils. Since then, this millage has been successfully renewed every four years by St. Clair voters and is scheduled for a renewal vote on August 5, 2014. This millage helps to provide essential services that enable independence and aging in place such as adult day programs, transportation, tax and legal assistance to name a few.

Recognizing that one in five county residents is a senior; that the senior population in St. Clair county is increasing by 25 more seniors each week; and, that the senior population is the only population group growing in St. Clair County, in 2012 residents approved a .3 mil to supplement the existing .5 Senior Citizen Service Millage.

The question before voters on August 5 will seek voters approval to combine both the .5 mil approved in 2010 and the .3 mil of 2012 into one .8 mil to be renewed every four years. Though the Senior Millage has been approved by voters each time it has been up for a renewal by a wide margin, typically between 70% and 80%, supporters are concerned that renewing and combining of the two previously approved .5 and .3 millage may cause confusion.

Supporters of the St. Clair Senior Citizen Millage should vote "Yes" on August 5, 2014. Absentee Ballots area also available at all St. Clair County Council on Aging Senior Centers.

**North Oakland Transportation Authority (NOTA) Millage Request:** Residents of Addison, Orion and Oxford Townships will be asked to support .25 millage for 5 years. NOTA provides transportation services for seniors, low income and persons with a disability for the nominal fee of \$1 or \$2 per trip. This door to door transportation service has historically been funded by competitive grants which account for nearly 50% of the NOTA budget. Due to changes in the grant process and a shortfall in projected federal transportation revenues NOTA stands to lose \$425,000 in federal and state grants by the end of 2014.

Approval by voters of this millage would cost a homeowner with a \$100,000 home \$12.50 per year, or \$.03 cents per day and will allow NOTA to maintain existing service levels of 13 routes and also replace aging vehicles. If the millage is defeated by voters the service will almost be cut in half.

Supporters in Addison, Orion and Oxford Townships including the villages of Leonard and Oxford should vote "yes" to support the NOTA millage on August 5.

### Elder Abuse Legislation Would Create Stricter Sentencing Guidelines

In March 2014 Senator Virgil Smith (D-Detroit) introduced SB 866 and SB 867. If passed these two bills would establish stricter sentencing guidelines for both "elder adults" and "vulnerable adults." These bills were approved by the Senate Judiciary Committee before the legislative summer recess.

The sentencing guidelines include stricter penalties for assault (including mental suffering) and financial crimes against elder adults and vulnerable adults. The following tables outline the proposed guidelines.

Violation	Level	Max. Prison and/or Fine
Assault	Misdemeanor	1 year; \$1,000
Assault causing physical injury, pain, or mental suffering	Felony	4 years; \$5,000
Assault causing serious impairment of body function	Felony	15 years; \$10,000
Assault causing death	Felony	25 years; \$25,000

Value/Prior Convictions	Level	Max. Prison and/or Fine*
<\$200	Misdemeanor	93 days; \$500
\$200 or more but <\$1,000 or at least 1 prior conviction	Misdemeanor	1 year; \$2,000
\$1,000 or more but <\$20,000 or at least 1 prior conviction**	Felony	5 years; \$10,000
\$20,000 or more but <\$50,000 or at least 2 prior convictions**	Felony	10 years; \$15,000
\$50,000 or more but <\$100,000 or at least 2 prior convictions**	Felony	15 years; \$15,000
\$100,000 or more, or at least 2 prior convictions**	Felony	20 years; \$50,000

\*Or 3 times the value of the money or property, whichever is more.

\*\*Except for a conviction involving money or property valued at less than \$200

## Elder Abuse Legislation Would Create Stricter Sentencing Guidelines *Continued...*

It is expected that following the summer recess the full Senate will be presented with these bills for a vote and if passed would move to the House for consideration.

As analyzed by the Senate Fiscal Agency, sentences for felony convictions would cost the State approximately \$35,000 per prisoner per year of incarceration. The new misdemeanor penalties may increase the costs to local courts and jail systems. Revenues collected from fines under these offenses would be dedicated to public libraries. Advocates are working to have revenues dedicated toward senior services as the bills move forward.

Though there is not a strong correlation between increased penalties and reduction of crime, these bills seek to strengthen the climate of elder abuse prevention in Michigan.

**How you can help:** Consider reaching out to your State Senator to ask for their support of SB 866 and 867 and request that revenues generated by fines collected under these bills be dedicated to senior services instead of public libraries.

## Stalled Again: Reauthorization of the Older Americans Act

Reauthorization of the Older Americans Act (OAA) has been delayed due to an objection on the hold harmless provision included in the intrastate funding formula. This funding formula is used to determine each state's allocation of federal funds to support OAA programs. This delay is of concern since the OAA provides grants for in-home and community based supports and services that allow seniors to remain independent and in their homes for longer. The act has not been reauthorized since 2006.

Currently, funding levels for each state are determined according to the following factors in the funding formula: (1) a comparison of state's relative proportion of the total 60 plus U.S. population to other states' proportions; (2) a minimum grant amount for all states; (3) a hold harmless provision, which bars funding levels that are less than FY 2006 levels. It is the third hold harmless requirement that has placed reauthorization at a standstill.

Senator Burr (R-North Carolina) contends that hold harmless provision penalizes states that have fast growing populations of older adults as the funding formula uses data based upon the U.S. Census completed in the year 2000. This data does not account for where the seniors are living at the present time. Changing the hold harmless provision is a concern for states like Michigan who may lose funding from formula changes which could be exacerbated by potential further cuts in funding resulting from sequestration.