UNELECTED UNACCOUNTABLE



EMERGENCY MANAGERS AND PUBLIC ACT 4'S THREAT TO REPRESENTATIVE DEMOCRACY



UNELECTED & UNACCOUNTABLE

EMERGENCY MANAGERS AND PUBLIC ACT 4'S THREAT TO REPRESENTATIVE DEMOCRACY

INTRODUCTION	1
CIVIL RIGHTS CONCERNS ABOUT PUBLIC ACT 4	2
PUBLIC ACCESS TO GOVERNMENT IN FLINT	3
1. The Backdrop For Emergency Management	3
2. The Emergency Manager's Communications Outreach Efforts	3
3. Public Perceptions of Access to Emergency Manager Decision Making	4
4. Access to Government Decision Making By Way of Elected Officials	5
REPRESENTATIVE DEMOCRACY, ACCOUNTABILITY OF EMERGENCY MANAGERS AND THE EFFECTIVENESS O	F
ELECTED OFFICIALS	6
1. The Benton Harbor Experience	6
2. Re-thinking Emergency Management and Accountability in Pontiac	7
3. Can Public Act 4 be reformed to ensure representative democracy?	8
THE RACIAL AND CLASS IMPLICATIONS	9
CONCLUSION	10

The principal drafter of this document was Mark P. Fancher, Staff Attorney for the ACLU of Michigan Racial Justice Project. He received special assistance from James Martin Brennan. Others who contributed to research and planning were: Isaac Mwanthi Nzoma, eliza (qualls perez) Facio, Macie Tuiasosopo, Jason Hoskins, Lisa Maskill, John Zervos, Kristin York, Caroline Gersh and Bonsitu Kitaba.

Copyright 2012 American Civil Liberties Union of Michigan

THE AMERICAN CIVIL LIBERTIES UNION is the nation's premier guardian of liberty, working daily in courts, legislatures and communities to defend and preserve the individual rights and freedoms guaranteed by the Constitution and the laws of the United States.



2966 Woodward Ave. Detroit, MI 48201 | 313.578.6816 | www.aclumich.org

INTRODUCTION

Michigan's Public Act 4 (known by many as simply "the emergency manager law") has been a lightning rod for controversy since its enactment on March 16, 2011. The law's stated purpose is: "...to safeguard and assure the fiscal accountability of units of local government..." Though this purpose is broad and far-reaching, there are particular aspects of Public Act 4 that have attracted special attention. The emergency managers have the power to suspend the authority of mayors and city councils and to administer and legislate in their place. They can even dissolve a local government if they have the Governor's consent. These sweeping powers have triggered a considerable outcry in many quarters.¹

Practically, Public Act 4 establishes a procedural framework for determining when the financial distress of a "unit of local government" warrants emergency management.

The law applies to both municipalities and school districts.² As to municipalities, the occurrence of one or more of 18 circumstances that indicate that a city may be in financial distress can trigger a "preliminary review" of a local government by the state treasurer.³ If this review yields a finding of "probable financial distress," the governor will appoint a review team to conduct a "municipal financial management review."⁴ As part of its review, the team will have access to the municipality's books and records, and the team is authorized to enter into a consent agreement with the municipality that will require the local government to undertake remedial measures. The review team's findings are then reported to the governor.

The law lists various factors that are regarded as indicators that a municipality is in "severe financial stress" or in a condition of "financial emergency."⁵ If a determination is made that a municipality is in a state of financial emergency, the governor is required to notify the local government. The governor then must declare the local government to be in receivership, and an emergency manager must be appointed.⁶

Once appointed, an emergency manager has broad powers. Many of these powers are administrative and can be employed without significant changes in policies and procedures. However, emergency managers are also authorized to engage in practices that are practically legislative in their effect and which are not powers ordinarily placed in the hands of an unelected government employee. In exercising the authority usually possessed by elected and appointed local officials, the power of an emergency manager "shall be superior to and supersede the power" of other officers and entities.⁷

Opponents of Public Act 4 mobilized and, in 2012, they collected more than 200,000 signatures from Michigan residents who wanted a referendum on the law. Their efforts were temporarily frustrated however when the four-member State Board of Canvassers voted along party lines and deadlocked on the question of whether the petition should be certified. The Michigan

Supreme Court ultimately decided the issue and ordered that Michigan voters have the opportunity to retain or scrap the law.

As the people of Michigan have considered and debated the merits of Public Act 4, the American Civil Liberties Union of Michigan has solicited and collected the observations, thoughts and ideas of some individuals who have been directly impacted by the law's implementation in three cities where emergency managers have been appointed. In Benton Harbor, Pontiac and Flint, elected officials, public employees, community activists, everyday citizens and even emergency managers themselves have spoken candidly with us. Their comments have been reported faithfully in this document. Their collective observations cannot be regarded as a scientific study that is representative of community sentiments. However, it is hoped that their observations and conclusions will be in some way useful to those who ponder the value of emergency management, and who are considering the prospect of taking action for or against Public Act 4.

CIVIL RIGHTS CONCERNS ABOUT PUBLIC ACT 4

While it may be possible for an emergency manager's intervention to produce measurable fiscal improvements,⁸ the price may include the reduction of essential public services such as police and fire protection⁹ or the assignment of those services to the private sector where there may be new concerns about quality and consistency. However, an even larger cost is the threat to the most basic civil rights of Michigan's residents. The ACLU of Michigan's findings and concerns include (among others) the following:

 Emergency management poses a threat to representative democracy because emergency managers are not elected. Some emergency managers have assumed (in place of elected officials) critical responsibilities of government, and some members of the public claim their attempts to communicate opinions, questions and requests about matters of law and policy to these emergency managers have been unsuccessful. Further, there are reports that in some cases, the governed are deprived of opportunities to remain informed about decisions presumably made in their name and on their behalf.

The U.S. Constitution's First Amendment guarantees the right of the people "...to petition the Government for a redress of grievances."

2. Some Michigan residents perceive themselves to be powerless, and lacking in the ability to hold unelected emergency managers accountable to voters.

Article I, Section 1 of the Michigan Constitution has been interpreted by the Michigan Supreme Court to provide that "...the political power which the people possess and confer on their elected representatives is to be exercised by persons responsible (not

independent) and accountable to the people through the normal processes of the representative democracy." $^{\!\!\!\!^{10}}$

3. Whether by design or coincidence, there is a distinct racial pattern to the appointment of emergency managers. Some Michigan residents perceive that, in practice, emergency management has been reserved for people of color.

The U.S. Constitution's Fourteenth Amendment guarantees that all shall have "equal protection of the laws."

What follows are comments about these concerns from individuals directly involved with, or affected by the emergency manager law.

PUBLIC ACCESS TO GOVERNMENT IN FLINT

1. <u>The Backdrop For Emergency Management</u>

Flint has a population of 124,943, with a racial breakdown that is 41% white and 53% black.¹¹ The unemployment rate reached 15.1% in December 2009, but it had fallen to 9% by June 2012.¹² The city, which has faced chronic economic challenges, once had 80,000 auto industry-related jobs. There are now about 7,000 such jobs.¹³

In September of 2011, the governor appointed an eight member review team to examine Flint's finances.¹⁴ A little more than a month later, the review team declared Flint to be in a state of financial emergency, and they recommended the appointment of an emergency manager.¹⁵ In late November 2011, the governor appointed Michael Brown as Flint's emergency manager.¹⁶

Brown fired seven members of the city's staff and eliminated the pay and benefits for the mayor and members of the city council.¹⁷

2. <u>The Emergency Manager's Communications Outreach Efforts</u>

Brown adopted his own budget with an executive order on the eve of the Board of Canvassers hearing that could have resulted in the suspension of the emergency manager law until the November election.¹⁸ Among other things, the budget called for police and firefighter layoffs. Demonstrations of public unrest were staged at city hall. During the public presentation of Brown's budget, residents in attendance broke out in chants, condemning Brown for raising fees for city services and cutting public safety.¹⁹

The ACLU of Michigan asked Brown about the protests, and he said that his overall interactions with the public have been "very positive." He suggested that after the budget was adopted, residents had ample time to review it and provide input because it was subject to amendment,

and not to officially take effect until July 1, 2012. During that interim period there was to be a series of public meetings where residents could offer comments about the budget.

In the early months of this year, Brown conducted a series of town hall meetings in each of the city's nine wards. Brown contended that he has otherwise attempted to involve the public in his decision making. As examples, he cited regular visits to churches and community organizations, and ongoing consultation with an advisory committee that includes the mayor, a city council member, a member of the business community, a leader in the faith community, and a representative of the public. As evidence that he takes his public outreach seriously, Brown noted that he included in his financial report a resident's suggestion to reduce the number of police mini stations from nine to four. Brown said he was persuaded that this would reduce expenses and at the same time not put the public's safety at risk.

3. <u>Public Perceptions of Access to Emergency Manager Decision Making</u>

There are those in Flint who express dissatisfaction with Brown's efforts to hear from the public. Rev. Latrelle Holmes, pastor of Greater Galilee Baptist Church, said he resigned from Brown's advisory committee because he felt that his voice was not being heard. Although he acknowledged Brown's efforts to engage the public in a dialogue, he also indicated that the process "could improve a lot." He said the first meetings in the city's various wards were well intended, but they were "not fruitful" because many of the residents in attendance "just screamed at [Brown]." Paul Herron, an independent television producer, agreed that there has been no genuine dialogue between Brown and the public, and that they have essentially been talking at each other rather than to each other.

When asked whether Brown has taken the public's input seriously, Flint resident Brenda Williams laughed and responded: "If he did then I think we would be getting a lot more help than what we're getting. In one word – no." Jerry Ambrose, the emergency manager's financial advisor, said the public forum process is "not working" because people are simply complaining about emergency managers, and not contributing ideas and opinions about the city's financial problems. He added that the emergency manager has adjusted to these circumstances by conducting small group discussions with organizations that are specifically interested in talking about the budget.

While Flint resident Cal Odom has positive feelings about aspects of emergency management, he acknowledged that there have not been many opportunities for the public to provide input. He is nevertheless untroubled because in his opinion, an emergency manager must do a job that will always leave many displeased, and with respect to Flint, he believes the emergency manager is "doing his deal" and "following his gut."

4. <u>Access to Government Decision Making By Way of Elected Officials</u>

Certain elected officials in Flint say their roles have been so radically re-defined by emergency management that they are no longer in a position to listen to constituent concerns and then effectively represent and actualize public sentiments on law and policy. This means that if the public's efforts to communicate with the emergency manager have been unsuccessful, the public is unable to vote him out of office, which is the option that has traditionally been available when elected officials have been inaccessible.

Francis Gilcreast, the president of the Flint branch of the NAACP expressed concern about the lack of accountability for emergency managers, citing insufficient checks and balances on their authority. She noted the irony in the appointment of Flint's emergency manager on the same day that Flint's voters went to the polls. She expressed special disappointment given the NAACP's longstanding position that voting makes it possible for the disadvantaged to have a voice in government.

City Councilman Scott Kincaid was blunt in his assessment. He said that as a councilman, he has "no authority," and the emergency manager has "all the power." Kincaid said he is left only with the opportunity to work in other ways with his constituents, who regularly complain to him about the absence of a democratic process in the city.

Council member Jackie Poplar also contends that as an elected official, she has "no power" under emergency management. She said that on those rare occasions when city council meetings are convened, there is very little interaction between the emergency manager, the council and the public. As an individual, Poplar said she has been undeterred and she will do whatever it takes to speak on behalf of her constituents. She said: "I have a cell phone number [for the emergency manager] and I use it."

Even the mayor now contends that his powers have been scaled back considerably. Rather than serving as the chief executive, Mayor Dayne Walling said he receives assignments from the emergency manager based on an agreed job description that primarily involves economic development, planning and citizen engagement. He is also only one of several members of the emergency manager's advisory committee. It meets only once a month behind closed doors, and Mayor Walling said the agendas are usually limited to only two or three city issues.

According to Mayor Walling, city council operations have also been changed. He said that before emergency management, the city council would have two public meetings a month, as well as two committee meetings. These meetings would involve "countless hours of discussion." Walling contrasted such past practices with the emergency manager's current routine of making unilateral decisions that become matters of public record after the decisions have been made.

REPRESENTATIVE DEMOCRACY, ACCOUNTABILITY OF EMERGENCY MANAGERS AND THE EFFECTIVENESS OF ELECTED OFFICIALS

1. <u>The Benton Harbor Experience</u>

It is likely that few will dispute that Benton Harbor has been the scene of economic catastrophe. However there are those who disagree about the causes of the city's economic woes, and also whether emergency management is the best way to address these serious problems.

Benton Harbor's troubles have been attributed to a variety of causes ranging from the closing of factories to mismanagement and corruption.²⁰ Poverty and blight have been the consequence, and the city has never recovered.²¹

In 2009, the Benton Harbor city manager requested that the State of Michigan conduct a preliminary review of the city's finances.²² Governor Jennifer Granholm appointed a seven member review team that ultimately concluded that a financial emergency existed in the city and that an emergency financial manager should be appointed.²³ In April, 2010 Governor Granholm appointed Joseph Harris as the emergency financial manager.²⁴ (He was later appointed as the city's emergency manager.)

Harris' early actions included removal of all members of the Planning Commission and the appointment of replacements.²⁵ On the same day, he invoked power given to him by the emergency manager law to prohibit all city boards, commissions and authorities from taking any type of action without his approval.²⁶

Benton Harbor is divided into four wards, each represented by a commissioner. There are also four at-large commissioners. Before the appointment of the emergency manager, certain commissioners claim that ward residents were able to communicate directly with the commissioners from their respective wards as well as the at-large commissioners and expect responses to their questions and action on their requests. To gain a complete understanding of residents' problems, these commissioners say they would conduct public hearings where residents were invited to testify.

City Commissioner Marcus Muhammad complained about the fact that Harris authorized the Board of Commissioners to convene meetings, but barred them from proposing or voting on legislation or conducting other business. In response to an ACLU of Michigan inquiry about this directive, Harris explained that his actions were a reaction to the commissioners' conduct. He said that after he announced that in strict compliance with Public Act 4 he would commence performance of certain government functions, he found that the Board of Commissioners would nevertheless approve resolutions concerning those matters, and he would be placed in the position of having to issue orders to nullify those resolutions. Harris said that eventually he conferred with Benton Harbor's lawyer and the result was the order that suspended the commissioners' authority to conduct legislative business. He added that in retrospect, he regards the action as an error because he could have accomplished his objectives in another way that might have resulted in less controversy. He noted that it was also ineffective because the commissioners disregarded and disobeyed his directive. Harris claims he refrained from attempting to enforce his order and the commissioners have continued to function as though Public Act 4 is not in effect.

Muhammad said the requests and complaints from the public that were normally directed to the commissioners did not cease after the Board of Commissioners was barred from conducting legislative business. Muhammad said he also received complaints that Harris failed to respond to many communications from the public.

Commissioner Trenton Bowens explained that, in the periods before and after implementation of emergency management, life for elected officials and their constituents has been radically different. He said that before the emergency manager was appointed, whenever Benton Harbor residents contacted a city commissioner, the commissioner was able to answer the full range of questions about what was happening in government and how government works. Bowens said that if he needed to consult the mayor, the mayor was accessible and accommodating. He claims that after Harris was appointed, elected officials had little information, and even the mayor would have to ask the emergency manager for information needed to respond to a resident's question.

Bowens claims he has been unable to obtain certain city government information, and it has been necessary for elected officials and others to make Freedom of Information Act requests in order to find out the most basic information about what is happening in City Hall. He said that there are fees for obtaining FOIA documents, and he believes that elected officials should have access to these records at no cost. He claims that elected officials are otherwise able to get information only from media reports.

At the same time, Bowens acknowledged that both before and after appointment of the emergency manager, there have been significant accountability problems. Before Harris assumed his position, Bowens said the city manager did not effectively manage the budget and there were otherwise serious accountability problems. But if there was an expectation that the emergency manager would correct the problems, Bowens said that Harris has had management problems of his own that in at least one instance resulted in a lawsuit against the city.

2. <u>Re-thinking Emergency Management and Accountability in Pontiac</u>

Emergency intervention for Pontiac was contemplated as long ago as 2007.²⁷ The city was actually appointed an "emergency financial manager" who undertook a number of reform measures, and ultimately resigned in 2010 citing "political infighting" and a hostile environment.²⁸ When Public Act 4 was enacted, Michael Stampfler was appointed emergency manager, and in succeeding months he (among other things):

- Eliminated the salaries of the mayor and the city council²⁹;
- Dissolved the city's planning commission³⁰;
- Privatized the water department³¹;
- Voided the contract of the police dispatchers³²

All of these measures were intended to save money. (For example, Stampfler predicted that a contract with the Oakland County Sherriff's office would save about \$2.2 million.³³) Despite Stampfler's adjustments, it was reported that the city would have a deficit of \$12.5 million.³⁴

Stampfler resigned in September, 2011 and was replaced by Louis "Bud" Schimmel. In the period that followed, Stampfler presented a critical analysis of the emergency manager concept at public events. In an interview with the ACLU of Michigan, Stampfler said emergency management is primarily about balancing the books, and that it does not address the issue of what happens to a city once the emergency manager leaves. He said these communities return to their deteriorated state and yet again, they need an emergency manager. At a public event, Stampfler observed that when elected officials are displaced by an emergency manager, they are not privy to internal government operations, and when these officials are allowed to resume control of the government, they lack the knowledge and skills to sustain any economic improvement that the emergency manager may have triggered. "The [emergency manager] program provides no structure for long term recovery, and that is why most communities slide back into trouble, if they experience any relief at all – a vicious cycle. The Public Act is not sufficient and the state bureaucracy isn't up to a performance offering any significant success – as can be noted from the communities repeating."³⁵ He said a holistic approach to resizing the finances of a community is needed.

Stampfler went on to explain that emergency management might be a viable approach if the economies of Michigan and the U.S. were generally strong, and there were just a few isolated communities that were in serious distress. However, during a period when the state and national economies are also weak, it is difficult for emergency management to be as effective as it might be under better circumstances.

3. <u>Can Public Act 4 be reformed to ensure representative democracy?</u>

In *Dearborn Fire Fighters Union v Dearborn*, 394 Mich. 229 (1975), the Michigan Supreme Court acknowledged that the inherent power of the people that is reserved in Article I, Section 1 of the Michigan Constitution is the basis for the core concept of representative democracy. "...[T]he political power which the people possess and confer on their elected representatives is to be exercised by persons responsible (not independent) and accountable to the people through the normal processes of representative democracy." *Id.* at 235. (parenthetical in original)

Even if Public Act 4 were to be reformed and amended in significant ways, the fact would remain that emergency managers are not elected by the people. In cases where emergency managers have in effect usurped local governments these appointed individuals wield power that the people intended only for officials they elected. Elected officials are motivated to carry out the will of the people because persons who are elected are accountable to those who put them in office. Whether emergency managers retain or lose their positions is not dependent upon the people's will, and the people lose their opportunity to be represented in the public policy arena.

Until these fundamental issues are satisfactorily addressed, emergency management will continue to present challenges for those looking for accountability and government that truly represents the political will of the residents of affected communities.

THE RACIAL AND CLASS IMPLICATIONS

In a December 1, 2011 letter to U.S. Attorney General Eric Holder, Congressman John Conyers wrote: "...[W]hile the [emergency manager law] itself may be facially neutral, it would seem that it is being applied in a discriminatory fashion, as the impacted jurisdictions have very high proportions of African Americans and other minorities."

As of the date of this writing, the only cities with emergency managers are: Pontiac (48% black); Ecorse (41 % black); Flint (53% black); and Benton Harbor (92 % black).³⁶ An emergency manager has not been appointed for the City of Detroit (81% black), but the city became party to a consent agreement that is grounded in Public Act 4.

There has been a general concern about how only a handful of cities with sizeable populations of African descent have been selected for emergency management when there is a statewide economic crisis. In response to these sentiments, Joe Harris, Benton Harbor's emergency manager, (who is black) was quoted as saying: "It's only an issue for those who are playing the race card. . . In my opinion, if you simply look at the facts, i.e., the criteria set forth in the law that governs the appointment of emergency managers there is nothing left to talk about."³⁷

Louis Schimmel (Pontiac's emergency manager) said: "I'm strictly a guy that looks at all the numbers – whatever got it there, what happened. There's been horrible mismanagement. I'm certainly not going to tie it to race."³⁸ Nevertheless, the racial composition of the cities under emergency management has caused widespread suspicion and concern that there are now two separate and unequal methods of governing that are determined by race and class status.

Consider Benton Harbor. Its reality has been that citizens listened carefully to campaign messages of those wishing to serve as commissioners. Voters considered the needs of their families and neighborhoods and used their independent judgment to choose the candidates who best represented their interests. When these candidates were elected, by various means they received their charge from the voters. Nevertheless, after issuance of an order by the

emergency manager, these commissioners were stripped of all authority to do anything on behalf of the citizens who elected them. Those same citizens were left to follow directives of an emergency manager who they never elected, and who many may not even know. It is this circumstance that has prompted many to refer to Public Act 4 as "The Emergency Dictator Law."³⁹

Contrast that experience with that of the citizens of Grosse Pointe Woods. In order to close a \$600,000 gap between revenue and expenses, the city council sought a 1.85 millage rate increase.⁴⁰ Opinions within the community were mixed. A news report about the proposal noted the reaction of one resident: "He then told the council he would personally fight the millage increase with his own money and said if the officials do not have the guts to make the appropriate cuts, they should resign from office."⁴¹ Unlike the residents of Benton Harbor, this individual in Grosse Pointe Woods was able to engage in a robust discussion about policy matters with those he helped to elect and can hold accountable for any failure to represent him properly. The fiscal circumstances of Benton Harbor and Grosse Pointe Woods are in no way comparable. At issue however is how the residents of both cities are allowed to address their financial challenges, regardless of the relative severity of each city's problems.

The danger of Public Act 4 is that it will institutionalize a system of government that is intended to serve all of Michigan's residents equally, but which actually maintains two systems of governance in this state: one for wealthy, predominantly white communities that retain their ability to elect their representatives and be governed by them; and another for low-income, predominantly urban communities of color, that must surrender self-government to the control of one or more emergency managers who operate under the authority of the state executive.

CONCLUSION

Assuming, for the sake of discussion, that there is a plausible rationale for Public Act 4, the law's usefulness has apparently been lost on at least some individuals who have been significantly affected by its implementation. When there are repeated complaints by elected officials and the voters who elect them about the inaccessibility of information critical to good governance, and a lack of accountability of appointed emergency managers there is an unhealthy environment that is not conducive to the exercise of protected constitutional rights. Not least among the concerns about this law is the perception that it is applied in a way that is racially discriminatory.

The economic viability of Michigan's cities is of critical importance. However, any efforts to maintain the fiscal health of municipalities cannot be pursued at the expense of a shared belief that it is the people themselves who determine how and by whom they shall be governed.

⁵ P.A. 4 Sec. 14

- ⁶ P.A. 4 Sect. 15
- ⁷ P.A. 4 Sec. 19(1)(z)(ee)

⁸ The narrative for the December 21, 2011 audit for Benton Harbor noted the following highlights: a) The General Fund cumulative fund deficit decreased by \$1,288,739, which exceeded the amount of the State approved deficit elimination plan. b) The emergency manager made substantial personnel and cost reductions. c) The General Fund had an \$811,000 increase in total revenue, attributable largely to property taxes and the sale of city assets. ⁹ Soon after the publication of Benton Harbor's December 21, 2011 audit, an agreement was reached to lay off nine

police officers and five firefighters and to merge Benton Harbor's police and fire departments with all public safety personnel doing double duty - fighting both crime and fires. (See: "Benton Harbor unions reach public safety agreement," by Kelly Stopczynski, wsbt.com (7/22/11))

Dearborn Fire Fighters Union v. Dearborn, 394 Mich. 229 (1975)

¹¹ www.flint.areaconnect.com/statistics

¹² www.deptofnumbers.com/unemployment/michigan/flint

¹³ "NBC 'Rock Center' Report: Flint auto plant growth a sign of industry turnaround," by Cathy Shafran, http://blog.mlive.com/newsnow impact/print.html?entry=/2012/02/nbc rock center report flint a.html

¹⁴ "Gov. Snyder appoints team to review Flint's finances under emergency manager law, requests report within 30 days," by Kristin Longley, MLive.com (9/30/11)

¹⁵ "Dayne Walling re-elected mayor as state declares financial emergency in Flint," by Kristin Longley, MLive.com (11/9/11)

¹⁶ "Former Acting Mayor Michael Brown named Flint's emergency manager," by Kristin Longley, MLive.com (11/29/11)

¹⁷ "Shakeup at Flint City Hall as new emergency manager issues layoffs, pay cuts," by Kristin Longley, MLive.com (12/2/11)

¹⁸ "Flint emergency manager says slew of executive orders not related to PA4 petition hearing," by Kristin Longley (4/25/12) <u>http://www.mlive.com/news/flint/index.ssf/2012/04/flint_emergency_manager_says_s.html</u> ¹⁹ "Protesters, residents speak out at Flint_emergency_manager budget presentation," by Kristin Longley, April 30,

2012, MLive.com

²⁰ "Now That the Factories Are Closed, It's Tee Time in Benton Harbor, Mich.," by Jonathan Mahler, New York Times Magazine (12/15/11). ²¹ See: The Other Side of the River, by Alex Kotlowitz, Anchor Books (1999)

²² Emergency Loan Board Names Financial Manager For the City of Benton Harbor,

http://www.michigan.gov/treasury/0,1607,7-121--234612--,00.html

²³ Id.

²⁴ Id.

²⁵ Emergency Manager City of Benton Harbor Order No. 11-04

²⁶ Emergency Manager City of Benton Harbor Order No. 11-05 (These bodies did retain, under the order,

authorization to call a meeting to order, approve meeting minutes, and to adjourn.) ²⁷ Emergency Loan Board Names Financial Manager for the City of Pontiac,

http://www.michigan.gov/treasury/0,4679,7-121-1755_1963-211089--,00.html

²⁸ Fred Leeb resigns as Pontiac emergency financial manager, by Chad Halcom, Crain's Detroit Business (6/17/10) http://www.crainsdetroit.com/article/20100616/FREE/100619893/fred-leeb-resigns-as-pontiac-emergency-financialmanager

²⁹ Pontiac mayor, council lose pay, by Shaun Byron, Oakland Press (3/31/11)

http://www.theoaklandpress.com/articles/2011/03/31/news/local_news/doc4d951f280f598285510088.txt

³⁰ Pontiac dissolves planning commission, layoffs hit city, by Shaun Byron, Oakland Press (5/20/11)

http://www.theoaklandpress.com/articles/2011/05/20/news/local news/doc4dd6cef521e18350343159.prt ³¹ Id.

¹ "Detroit and Flint City Councils Unanimously Pass Resolutions in Opposition of Michigan's Emergency Manager Law." Michigan Forward News (9/14/11) http://michiganforward.org/index.php/2011/09/

 $^{^{2}}$ Because the focus of this report is three municipalities, a discussion of the application and implementation of Public Act 4 in school districts is not included in this section.

³ P.A. 4 Sec. 12

⁴ P.A. 4 Sec. 12(3)

⁴⁰ http://grossepointe.patch.com/articles/headlee-override-advances-in-gp-woods

⁴¹ Id.

³² Pontiac dispatchers first in state to have contract canceled by Michigan's new emergency manager law, by Shaun Byron, Oakland Press (6/7/11)

http://www.theoaklandpress.com/articles/2011/06/07/news/local_news/doc4dee110a0de69410768545.txt ³³ Id.

 ³⁴ Pontiac's deficit balloons from projected \$1.75 million to \$12.5 million, by Shaun Byron, Oakland Press (6/30/11) http://www.theoaklandpress.com/articles/2011/06/30/news/local_news/doc4e0c64dc61a0f937104278.txt
³⁵ http://www.mlive.com/news/kalamazoo/index.ssf/2012/04/former_portage_city_manager_mi.html

³⁶ Population data taken from www.areaconnect.com

³⁷ "Michigan emergency managers dispute claims of race behind Public Act 4," Associated Press (1/22/12) ³⁸ Id.

³⁹ http://www.afscme.org/blog/michigan-voters-launch-campaign-to-stop-local-dictator-law