Fellow Michiganders,

I rebuilt Detroit’s Health Department. When I took the helm, I walked into a department that had been the victim of Governor Snyder’s emergency managers, a shell of the 185-year-old health department Detroiters had relied upon for so long.

During my third week at the job, I met a three-year-old boy. He was the fourth child of a 21-year-old mother. I thought about the circumstances of this boy’s life: He’d met his father only four times in his life because his father was in jail. He didn’t have access to the basic set of goods and services that so many take for granted - that he as a citizen of the richest, most powerful country in the world deserved. He was born in a city where a baby is more likely to die before its first birthday than in my father’s native Egypt. His risk of asthma was three times higher than the state average. He had a one-in-ten chance of being lead-poisoned. And even if he made it through his decaying schools, he was still more likely to go to prison than to college.

But this boy also had this infectious confidence, big brown eyes that darted about with curiosity, and the kind of smile that told me he was going places. He is emblematic of the resilience in our urban communities - so much intellect, inspiration, will, grit, and determination. If we can empower people and harness these talents, we will unleash opportunities for growth in ways that Michigan has yet to experience. To do that, we have to empower families through access to good jobs that pay a living wage, to a solid roof over their heads, to clean air and water, to law enforcement that empowers communities, to basic goods and services like car insurance and public transit, and to the belief that their children can have a better life than their parents had.

Here, we share the results of hundreds of conversations we shared with citizens in cities across Michigan — a set of transformative solutions for our cities to empower communities and unlock our potential. We aim to empower the lives of children and their families across Michigan through a comprehensive, people-oriented, rigorous, and ambitious program of change.

In 2018, we have an opportunity to make that happen. I’m standing up for our communities. I hope you will stand with me.

Humbly,
Abdul
Introduction

Michigan cities have the immense potential to create. Whether pioneering biofuels in Flint, building hybrid and electric vehicles in Detroit, or conducting groundbreaking research in Lansing and Ann Arbor, Michiganders in our metros are developing the ideas and technologies we need to thrive in the 21st century. Even now, in the wake of one the worst recessions we have ever faced, our metros remain hubs of innovation and engines of economic development, for the state and for the nation.

However, too often communities across Michigan’s cities are deeply inequitable and too many suffer crushing poverty. Michigan cities have been slow to pivot with national and international economic trends because of poor state leadership and decades of disinvestment. Both Democratic and Republican leaders have left many Michigan’s cities trapped in a cycle of economic decline. In 2016, one in five of the 20 poorest cities in the United States were in Michigan. Similarly, only four Michigan cities had poverty rates below 10 percent. This comes as a result of rising income inequality, with the wealthiest 1 percent of residents capturing 94 percent of all income growth between 2009 and 2013. In Grand Rapids alone, the wealthiest 1 percent earned 25 times more than the bottom 99 percent.

Our cities can be places that generate growth and prosperity, but that will require a new vision and new policies: policies that prioritize people over profits and doggedly pursue equity. If we are to build the Michigan of the future — a Michigan where our children no longer test among the bottom of the nation; where our families no longer make thousands less than families in neighboring states; and where our governments do not struggle to provide clean water despite being surrounded by 85 percent of the country’s fresh water — we need every ounce of talent that we have.

That means we invest in the capacity of every Michigander. We simply can’t afford anything less. The path to building strong, inclusive cities — the kind of cities that Michigan needs — is thus twofold: we will invest in our people and our places, and we will end the systems that deprive our people of the opportunities they deserve and our state of the talent it needs. That is the task of our next administration. This agenda lays out how we’ll do it.

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3 [go.epi.org/unequalstates](http://go.epi.org/unequalstates).
Affordable Housing

Across Michigan, major cities and metropolitan areas are facing an alarming shortage of affordable housing due in part to rising market prices and stagnating wages. Rent in Michigan averaged $844 in 2017 with the average hourly wage of renters in the state hovering around $13.70 — much less than the $16.24 per hour a tenant would have to earn to afford a market rate unit. However, the dearth of housing cannot be attributed entirely to low wages and unaffordable rent. Detroit, Michigan’s largest city, has suffered unprecedented rates of foreclosure since 2005, with more than one in three properties being foreclosed upon between 2005 and 2015. And it is not just Detroit; cities from Grand Rapids to Ann Arbor to Marquette are experiencing similar hardships when it comes to housing.

In many Michigan cities, particularly those that are predominantly black, the lack of affordable housing is due to a convergence of decades of economic decline, neglect, and predation. In Detroit, for instance, a precipitous decline in property values following the mortgage crisis, outdated property assessments, and a purposefully tedious poverty exemption application process have all contributed to extraordinary rates of property tax foreclosure, many which are arguably illegal. At the same time, real estate moguls and speculators have seized growing shares of land for redevelopment, increasing property values and decimating the stock of affordable housing for sale and rent — sometimes even forcing homeowners to pay rent on houses they formerly owned.

Municipalities cannot address the housing crisis on their own, as many of the laws that govern housing (specifically the property tax code and zoning ordinances) are controlled at the state level. Moreover, state law tends to limit local authority over matters of housing, leaving city governments with a limited set of tools to encourage and protect the development of affordable housing. Nevertheless, Michigan continues to treat affordable housing as a local issue, despite the significant consequences that housing shortages have on neighboring areas and the state overall.

Ensuring that every Michigander has access to safe, stable housing will require both a concerted effort by the state government and deep partnerships with municipal governments and communities. That is why the El-Sayed Administration will aggressively pursue a statewide affordable housing strategy with three goals:

- Empowering renters;
- Reforming the property foreclosure system; and
- Supporting efforts to equitably develop vacant and abandoned properties.

Empowering renters

Between 2010 and 2015, 72 percent of Southeast Michigan communities experienced an increase in the number of rental properties, and 11 of those communities experienced rental rate increases above 10 percent. The need for strong urban rental markets is twofold. First, foreclosures and economic development have displaced increasing numbers of people. It is in the best interest of the state to reduce displacement and keep these families in their cities of origin — close to their social

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4 [http://tinyurl.com/nheaeet](http://tinyurl.com/nheaeet)
networks and the services they need. Second, for Michigan to compete in the national and global economy, it must attract new residents, many of whom will be young workers looking to live and rent in our cities. Trends predict millennials and the generations succeeding them will occupy and grow our rental markets for decades to come. Developing affordable, urban rental stock will give Michigan’s cities an advantage over urban hubs where rents are skyrocketing and young people are being displaced. Given these trends, there’s a clear imperative to protect renters. The El-Sayed Administration plans to take the following steps to protect and empower renters:

1. **Allowing rent control of private property by local government units**

   Currently, Section 123.411 of the Leasing of Private Residential Property Act 226 of 1988 permits local governments to issue rent controls only for properties that the local government has a demonstrable ownership interest or to properties to which the local government has provided direct financial assistance. We will lobby the state legislature to expand the Property Act to allow local governments to implement rent control for properties that receive local and state tax abatements as well.

2. **Establishing a statewide renters’ bill of rights**

   In 2014, Washington D.C. enacted The Tenant Bill of Rights Amendment Act, which requires authorities to publish and periodically update a summary of basic tenant rights. The El-Sayed Administration will task the Michigan State Housing Development Authority (MSHDA) to adopt this practice for the state’s existing tenant protection laws and publicize the document on state and local websites.

3. **Petitioning HUD to reduce the AMI for Detroit**

   The Department of Housing and Urban Development (HUD) defines affordable units as being 80 percent of the Area Median Income (AMI). This means that in Detroit, an affordable unit would be allocated for a household earning $54,900 annually, at most. This is over twice as much as the median household income for the city, which was $26,249 in 2016.

   The AMI for Detroit is abnormally high because HUD factors household incomes from Warren and Livonia (which are middle class suburbs) into its assessment of the region. As a result, units that are technically “affordable” by federal standards may still be out of reach for the average Detroiter. We will petition HUD to revise the AMI for Detroit so that it is based only on the city’s median household income.

4. **Protecting renters from lead exposure**

   The Flint Water Crisis brought national attention to Michigan’s outdated and dangerous infrastructure quality, as well as its lax system of accountability for environmental disasters. However, Flint is not the only major city in the state facing a public health emergency; in 2016, 28 percent of children under the age of six tested positive for lead poisoning in the city of Detroit. To protect renters from lead exposure and predatory landlord practices, we will pursue the following:

   - Michigan Department of Health and Human Services (MDHHS) and MSHDA should partner with local health departments and housing departments to conduct a proactive rental certification program that includes lead inspection and risk assessment (LIRA) in high-risk housing until the housing is deemed to be lead-free. Rental certification
shall not be valid for more than five years on houses actively mitigating lead and interim requirements, such as clearance testing, may be required to ensure occupant safety.

- The state’s “Landlord Penalty” law should be updated to allow for a presumption of non-compliance in cases where an affirmative defense (including proof of mitigation prior to occupant habitation) is lacking and 1) a unit was built before 1978; 2) appropriate risk mitigation efforts have not been performed; and 3) a child occupant’s (under age six) blood lead level is ≥5 μg/dL or the current CDC reference level.

- Placing a freeze on any eviction proceeding against a family within 6 months of a finding of an elevated blood lead level (EBL) in a child or a finding of any lead hazards in the home. The freeze should stay in place until all lead hazards have been abated.

- Using state lead abatement funds to develop a dedicated fund for the legal defense of families who are renting and have children with elevated blood lead levels and an identified lead hazard in the home.

- Allocating sufficient funding for the maintenance and upkeep of the Lead Safe Housing Registry.

- Reforming the Lead Safe Home Registry (or its successor) to include updated information related to all lead exposures, remediation and abatement, and inspection history.

Reform the property tax foreclosure system

Property tax foreclosure has devastating effects on urban communities. It ushers in blight, dislocates people, and encourages rampant and harmful speculation. Moreover, speculators who purchase foreclosed homes in auction have little incentive to pay property taxes themselves, further depleting the tax base. Since the recession, urban counties have faced a glut of property tax foreclosure, particularly in southeast Michigan. In Detroit alone, 36 percent of all properties went through foreclosure from 2005 to 2014, and 76 percent of the 84,000 properties on the city’s blight list are foreclosures.

Because property tax foreclosure is governed entirely by state law, reducing foreclosure will require committed and decisive state action, both independently and in partnership with local government. Our administration will pursue the following reforms:

1. Developing a framework of accountability for property value assessment

Many Michiganders, especially in Detroit, enter the foreclosure process as a result of inaccurate property value assessments. This leaves homeowners with far more tax than they should owe. Thankfully, many municipalities have recognized this and made efforts to reassess residential properties. However, even after these efforts, evidence shows that these properties — particularly those valued at $20,000 or less — may still be overassessed at up to twice the legal limit.\(^6\)

Michigan’s property tax code allows Foreclosing Governmental Units (FGUs) to reverse foreclosures if a property has been fraudulently or inaccurately assessed. However, the structure of foreclosure proceedings makes it difficult for many homeowners to successfully appeal a foreclosure, even if their property has been inaccurately assessed. The El-Sayed Administration demands that for every foreclosure initiated, FGUs conduct an assessment of the property to determine if the owner has

been subject to incorrect assessment in the years from which back taxes are owed. If evidence of over-assessment is shown, then the municipality must put a moratorium on the individual foreclosure for the home, correct the assessment, and immediately enroll the owner in a State Equalized Value Stipulated Payment Agreement (SEVSPA) plan based on an accurate assessment.

We recognize that these measures will create new burdens and costs for urban counties, many of whom already face significant budget constraints. That is why we will partner with FGUs to not only provide technical assistance through MSHDA, but to also reallocate a portion of Michigan’s Hardest Hit Fund to cover the costs of providing these new services.

2. **Strengthening the poverty tax exemption option**

   The Michigan Property Tax Code allows municipalities to grant poverty exemptions to homeowners who are unable to pay their property taxes because of economic hardship. However, many cities require homeowners to request and submit the application, along with all required documentation, in person annually. For individuals who work, have small children, or lack access to reliable transportation, this can be enough of a barrier to prevent them from applying.

   The El-Sayed Administration will work with cities and counties to explore options that will make it easier for residents to obtain and submit requests for tax exemption, such as developing an online form; training and equipping case workers; allowing individuals to scan or fax in documentation; and/or allowing individuals who have lived at or below the income qualification for three or more years to apply for a multi-year, chronic poverty exemption. We will also work with the state legislature to amend MCL 211.7u — the section of the tax code that controls poverty exemptions — to make property exemptions retroactive (much like the principal residence exemption), so that homeowners facing foreclosure may apply for the poverty exemptions if they qualified during the three years for which they owe back taxes.

3. **Strengthening protections for renters living in foreclosed properties**

   Michigan has few policies that protect renters who are at risk of losing their housing because of foreclosure. The El-Sayed Administration will introduce legislation to amend the Michigan Housing Law (MCL 125.530) and the Landlord and Tenant Act (MCL 504.601-554.616) to increase protections for renters living in foreclosed properties and make it illegal for landlords to collect rent on properties that they no longer own due to foreclosure. This legislation will:

   - Prohibit owners who owe back taxes from being issued a certificate of compliance;
   - Require landlords to notify renters that the property is in foreclosure, no later than a month after the landlord receives notice from the FGU;
   - Require the security deposit to be returned to the renter no later than the landlord’s last day of ownership;
   - Require owners who fall behind in paying property taxes to hold rent in escrow, until the landlord is either current with their taxes or the landlord loses forfeits ownership to the FGU;
   - Allow tenants who were not notified of foreclosure to bring suit to recover any rent paid while the property was in foreclosure

   Landlords who fail to comply will be prohibited from receiving state-funded foreclosure assistance and/or from being able to buy back their properties during foreclosure auctions.
4. Differentiating between occupied and unoccupied homes during the foreclosure process

To protect owners living in foreclosed homes in the time leading up to auction, we propose statewide adoption of the model used by the Genesee County Land Bank, which bundles occupied homes together as a single unit. This protects against predatory speculation because individual residences cannot be sold unless the entire lot is purchased. We also encourage the use of Strategic Reinvestment Areas, which bundle homes on or near sites of pre-existing community development plans to incentivize development that is consistent with those plans.

5. Evaluating speculators before auction

Foreclosed homes are too often sold to companies with delinquent taxes that fail to maintain their properties. This abuse of the system not only hurts local governments by depleting revenue, but also drives blight and endangers nearby residents. We will partner with FGUs to establish comprehensive screening systems for speculators who bid on foreclosed properties, checking for a history of back taxes and ordinance violations not only within county limits, but also anywhere the company has previously purchased property.

6. Increasing community participation in the foreclosure process

If we cannot keep a property in the hands of its owner, we should at least ensure it is forfeited to locally-based entities that can responsibly develop it. We propose allowing FGUs to designate up to three nonprofits (including community land trusts and land banks) for potential ownership of the vacant property that would receive right of refusal after minimum bid auction. Nonprofits that purchase occupied homes would be allowed to either sell them back to owners on rent-to-own basis; to act as landlords; or to sell the properties to other non-profits with approval from the FGU. Funding for this practice would come from Michigan’s Housing and Community Development Fund or The Hardest Hit Fund Blight Elimination Program.

7. Expanding access to existing safety nets for low-income homeowners

Currently, MSHDA operates several programs to assist homeowner facing foreclosure, including the Step Forward Michigan Program and forgivable loans funded by federal Hardest Hit Funds. However, the application criteria tend to exclude low-income homeowners. The El-Sayed Administration recommends broadening the criteria for Step Forward applicants and altering or eliminating the “cause for delinquency” requirement that necessitates that homeowners prove it was a single “qualifying event” that caused them to fall behind on their property taxes, rather than chronic poverty.

Additionally, the El-Sayed Administration will aggressively lobby the legislature to permanently enshrine and fund SEVSPA, a repayment plan that allows county treasuries to reduce the unpaid taxes to 50 percent of the equalized value of the home. Unlike the Interest Reduction Stipulated Payment Agreement, the current repayment model, SEVSPA significantly reduces the principal owed, making successful repayment much more likely for low-income homeowners.

Support efforts to responsibly develop abandoned property and vacant land

While Michigan does have a framework in place for increasing its stock of affordable units, there are significant improvements that can be made to the
management and resourcing of these programs. At the state level, we propose having cities with market prices over the median value submit affordable housing strategies to MSHDA upon request for state or federal funds. Furthermore, we propose that MSHDA form a commission tasked with creating a statewide strategy for affordable housing in conjunction with Michigan’s Housing and Community Development Fund (MHCDF). A coherent framework will include:

1. **Investing in Michigan’s affordable housing fund**

   MHCDF — which is charged with coordinating public and private resources to invest in the creation of low-income housing and downtown development — is drastically and unsustainably underfunded. In 2012 alone, MHCDF was only able to subsidize 9 of 65 proposed projects due to limited resources. The El-Sayed Administration recognizes the importance of such a fund for supporting and incentivizing the development of affordable housing and will allocate sufficient and ongoing appropriations to MHCDF via the state’s Homeowner Protection Fund.

2. **Incentivizing developers who build affordable units**

   Through MSHDA, the state awards Low Income Housing Tax Credits to private owners who construct and maintain rent- and income-restricted units. The El-Sayed Administration will evaluate the Qualified Allocation Plan — which outlines amounts awarded, the process for allocating funding, eligibility requirements, and selection criteria for the LIHTC — to ensure the state is doing all it can to invest in affordable housing. Additionally, we will track developments whose LIHTCs are nearing expiration to monitor market value, encourage reapplication, or propose new sources of subsidy.

3. **Encouraging and aiding community ownership**

   Community Land Trusts have become popular vehicles for nonprofits and city residents to invest in — and thus gain agency over — neighborhood development. However, because CLTs operate independently of local governments, they are often seen as being in direct competition with city land banks. To mitigate conflict and encourage collaboration between local authorities and CLT boards, the state should recognize CLTs as viable options for community development and adopt policies to support their operation, including working with counties and cities to develop property tax practices that encourage and support CLTs (e.g. special assessments that allow owners of CLTs to pay property taxes based on land value, rather than property value.)
**Strong urban economies**

Strong economies require inclusive growth. But right now, far too many of our citizens are being left behind in our cities and metro areas. Four of Michigan’s major cities — Detroit, Flint, Kalamazoo, and Dearborn — are among the 20 poorest cities in the United States. Fifty-three percent of Detroit residents live in areas of concentrated poverty (defined as census tracts with a poverty rate of 40 percent or more) and census data shows that poverty rate estimates in half of Michigan’s communities have increased over the past five years.

However, it is not simply poverty that is holding Michigan’s cities back; it is the inequality that exists between residents sharing urban space. The success of a city depends on the interconnected ecosystem of all its residents. When economic growth benefits only those at the top, it damages everyone. As Amy Liu, director of the Brookings Institute’s Metropolitan Policy Program writes: “Economic development that improves living standards for only the few undermines current and future human capital, depresses economic demand, and dampens...overall competitiveness and potential for growth.”

Equitable cities breed growth; inequitable cities breed poverty. That is why the El-Sayed Administration’s plan for urban economies is a plan predicated on investing in the capacity of all Michiganders — not just those deemed to be powerful — and ensuring that our state is leveraging every tool we have to ensure that wealth is spread to the many, rather than concentrated with the few. For our cities to have true economic growth — meaning growth that is continuous, sustainable, and resilient — we have to build from the inside out, starting with the following policies:

**Remaking Michigan’s approach to economic development**

Beyond creating jobs in the short term, economic development must envision economic hubs that sustain and grow Michigan’s economy in the long term. That means that economic development must generate growth (defined as the number of jobs), prosperity (defined as household income and state GDP), and inclusion (defined as raising the standard living for vulnerable groups.).

After years of being wedded to the old model of economic development that focuses solely on attracting and retaining big business, revolutionizing Michigan’s economic development philosophy will take time. However, the El-Sayed Administration can and will make three immediate changes to start our state on a new path.

1. **Make raising median household income the first goal of economic development**

Michigan, like most states, have prioritized unemployment and job growth as the primary measures of economic growth. But as many Michiganders know, all jobs are not good jobs and merely being employed does not mean that one can afford to live. Under the El-Sayed administration, raising the median household income, at both state and local levels, will be the primary economic goal for all state economic development initiatives. This will not only shift the direction of state development

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7 https://files.acrobat.com/a/preview/32cd6bab-0249-4e93-a417-04656cc010b2
8 https://www.census.gov/quickfacts/MI
10 Ibid.
efforts; but will also organize local economic development initiatives (many of which rely on state funds) around a clear, central goal. More importantly, it will keep economic development focused on its true purpose: building an economy that improves the lives of Michiganders.

2. Refocus the Michigan Economic Development Corporation on a mission of progressive economic development

Currently, the MEDC has a singular goal: to attract and accelerate business. While this is important, attracting outside corporations, particularly with tax cuts, rarely leads to lasting or shared prosperity. The El-Sayed administration will direct the MEDC to refocus its mission on three goals: 1) setting cities and regions on trajectories of long term growth; 2) raising standards of living, particularly for vulnerable populations and those who are underemployed; and 3) reducing income inequality.

Additionally, we will work with MEDC to prioritize investments in Michigan’s small businesses. Given the large tax incentives required to lure out-of-state corporations; the high percentage of residents employed by small businesses (49.8 percent); and the growth potential inherent in small firms, investing in small business is not only the most cost effective way to grow Michigan’s economies, but also the best way to ensure that our economic development dollars benefit the most Michiganders.11

3. Work to repeal the Transformational Brownfields Plan (TBP) and limit the use of corporate tax capture as an economic development tool

Tax incentives and abatements are vital tools for economic development. But too often they are deployed recklessly, without proper evaluation, and at the expense of public services. The Transformational Brownfields Plan, for instance, will allow developers to capture up to $1 billion tax revenue over 20 years. Of this $1 billion, $200 million will likely be diverted from the School Aid Fund (the main beneficiary of the sales and use tax) while the remaining $800 million will come from the General Fund, the state’s main source of funding for upcoming infrastructure repairs and health and human services.12

Corporations should not be allowed to profit from tax revenue without a mechanism — whether a Community Benefits Agreement or guaranteed reinvestment in public services — that ensures that economic gains will be distributed to local communities. That is why we will not only push to repeal the TBP, but to limit the use of corporate tax capture, allowing it only in circumstances where developers and local governments establish an agreement laying out significant reinvestment on the part of the developer equal to at least 10 percent of the tax revenue captured.

Making workforce development work for cities

Michigan’s cities face three major problems when it comes to developing a workforce that can meet the needs of existing and emerging employers. First, low rates of educational attainment prevent workers for competing for middle skill and high skill jobs — the majority of jobs in our biggest urban

areas. Second, significant proportions of urban residents lack the basic skills they need to enroll in job training programs — much less secure stable, well-paid employment. Third, during the Great Recession, many cities lost the low-level and entry-level jobs that employed residents who did not or could not attend college. However, even with the economic recovery, many of these jobs have yet to return.

To ensure that all Michiganders can thrive, we must develop a workforce system that leaves no one behind. The El-Sayed Administration has a workforce strategy that will not only address the workforce challenges that urban areas face, but will cultivate the collaboration and alignment Michigan needs to develop the best cradle-to-career pipeline our state has ever had.

**Increase educational attainment**

A well-educated populace is crucial to building strong urban economies in the 21st century. In Detroit alone, 72 percent of jobs posted in 2015 required some type of postsecondary credential to apply. That is bound to increase. Unfortunately, in at least two of Michigan’s ten largest cities, Michigan’s rates of educational attainment — and, by extension, rates of labor participation — lag well below national averages.

In order for our cities to be prosperous, we need a skilled workforce, and to have skilled workforce, we have to significantly increase the share of residents with postsecondary credentials. That means that within the next decade, we must realign our workforce development system away from focusing primarily on job training and job placement towards a more holistic focus on improving knowledge, skills, and credentials for Michigan’s workers.

1. **Make skills attainment and credentialing the central goal of workforce development**

Michigan’s workforce development system has neither a common goal, a shared agenda, nor standard metrics. Yet, we know that increasing the proportion of Michiganders with skills and credentials to demonstrate (defined as certificates, associates degrees, and bachelor’s degrees) is the best way to strengthen our economy and increase access to well-paid employment. Thus, in an economy that increasingly demands — and rewards — high levels of skill, developing an exceedingly qualified workforce has to be the chief goal of workforce development.

The El-Sayed Administration will immediately establish two goals for to guide workforce development in Michigan: 1) lower the percentage of adults lacking basic skills by 30 percent by 2030; and 2) increase the percentage of Michiganders with postsecondary credentials 50% by 2035.
We recognize that a Governor cannot force workforce development systems to align with our new priorities, as many of these systems not only operate with largely local oversight, but also have never before focused on a skills-centric goal. However, we can ensure that the state only invests funds in programs that encourage or support post-secondary skills attainment and credentialing. That is why, in addition to making these the overarching goal of the state’s Talent Investment Agency (TIA) and Workforce Development Agency (WDA), all local workforce initiatives that receive state funding must include components related to skill building in any applications for new or renewed funding and/or any forthcoming strategic plans.

2. Establish standard metrics and a shared database for workforce development programs

Because Michigan lacks both standard metrics and a shared depository for outcome data, it is difficult to track, much less assess, the efficacy of our workforce development system. The El-Sayed Administration will convene a commission of local and regional stakeholders to establish a set of common outcome metrics for all state-funded workforce programs, based on the new educational attainment goals. Additionally, we will work with TIA to create a database for outcome metrics, with the goal of having an operational database by 2020.

3. Make postsecondary education affordable

The El-Sayed Administration is committed to making postsecondary education affordable for all Michiganders. That is why we are developing a plan — based on California’s Cal Grant program — that will make Michigan’s colleges and universities tuition-free for all students whose households earn less than $150,000 per year. But tuition is only the first barrier. Once enrolled, many students still face significant barriers, including transportation, housing, and child care.

We will actively pursue several policies to provide additional supports to low-income and non-traditional students, including: reinstating the Part-Time Independent Student Grant; making sure that students in non-college programs (such as adult basic education and apprenticeships) receive financial support through the tuition grant program; increasing access to Temporary Aid for Needy Families (TANF), the state’s most comprehensive public assistance program; and building a partnership between MDHHS, colleges, and adult education providers to pilot programs that integrate applications for public assistance into enrollment and financial aid processes.

Reinvest in adult basic education

Michigan has a severe skills gap. 1.7 million Michiganders lack the skills needed to hold a job that pays a living wage, and estimates suggest that the problem is even more acute in some of our largest cities. According to research by the Corporation for a Skilled Workforce, 47 percent of Detroit residents and 51 percent of Flint residents lack basic skills in numeracy, literacy, and/or English proficiency. Yet, the state has reduced funding for adult basic education (ABE) more than

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70 percent since 2001 (from $80 million to $23.75 million), resulting in a 51 percent decrease in enrollment and a 64 percent decrease in the proportion of students advancing a grade level.20

We cannot address the skills gap simply by increasing training for skilled trades and improving vocational education. By leveraging some of Michigan’s $1.38 billion in TANF spending to invest in ABE, we can not only significantly decrease the number of Michiganders locked out of the economy, but also ensure that adult students receive the support they need to care for the themselves and their families as they strive for a better life.

1. Redirect Michigan’s TANF funding to support talent development for adults who have a high school diploma or less

Michigan spent only 6 percent of TANF funding (less than $5 million) on work-related activities or supports in 2015.21 Beginning in FY2019, the El-Sayed Administration will move to reallocate at least 60 percent of TANF funds are directed toward core activities. Additionally, we will leverage TANF funds to pursue a $50M increase in funding for ABE over the next four years, beginning with a $10 million increase (from $25 million to $35 million) in FY2020.

In addition to changing the way we use TANF funds, we will explore programmatic reforms that would improve our ability to train and support adults who need basic skills. These include moving to decrease barriers to enrolling in TANF — including reducing income requirements and waiving waiting periods — to encourage enrollment; pursuing a large-scale increase in the provision of ABE for TANF recipients and non-recipients; and/or improving case management services such that recipients of TANF received tailored, one-to-one support from ABE to employment.

2. Partner with local organizations to increase the provision of ABE and ESL classes in community-based settings

Due to minimum literacy requirements, adults with skills gaps often cannot access any job training and community college classes without first completing some form of ABE. However, traditional developmental education, especially in community college settings, is often both ineffective and expensive. A recent report by the Public Policy Institute of California found that while 80 percent of community college students take some form of ABE, only 16 percent earn a certificate or associate’s degree within six years and only 24 percent successfully transfer to a four-year degree program.22

The El-Sayed Administration will work to not only increase the provision of ABE, but to do so in formats that are more effective and cost-efficient. We will do this in two ways. First, we will partner with TIA and local Michigan Works offices to identify promising ABE and ESL providers and work with these providers to increase their capacity, so that they can serve more students. Second, together with TIA, we will launch a competitive grant process for innovators in ABE and ESL, so that we can pilot new and more effective ways of providing these services in the communities that need them most.

3. Improve alignment between basic skills education, job training, and employment placement

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After completing ABE, many adults still need further training to secure well-paid, stable employment. Successful workforce development will require us to build a seamless pipeline from ABE to sector-specific or job-specific training, further education, and ultimately, job placement. Under the El-Sayed Administration, one of the main goals of TIA will be to build such a pipeline, starting in Michigan’s five largest cities.

The state will partner with cities to develop these pipelines in two ways. First, TIA will be expected to partner with regional Michigan Works offices and other local workforce development boards to develop success plans. These plans should identify providers that serve the target population in each part of the pipeline; outline requirements for progressing from one stage to the next; and identify any additional funding or resources needed. Second, TIA will create a new competitive grant program that will provide additional funding for one to three promising adult education providers in each city, with a preference given to organizations that have already established a clear pipeline (such as Focus: HOPE in Detroit) or have a proven record of successful collaboration.

**Working with small businesses to provide jobs to those who need them most**

A recent report by the Corporation for a Skilled Workforce found that Detroit lacks the industries it needs to provide jobs for many of its most vulnerable residents. While data for other cities is scarce, there is anecdotal evidence that suggests that many of Michigan’s cities — especially those that were hardest hit by the recession — face similar problems with creating an industry mix that serves all residents.

It is crucial that we prepare and encourage small businesses to fill these gaps in the urban industry mix. Not only are small businesses inherently more economically distributive, but they are also far more likely to stay and grow in Michigan. The El-Sayed campaign proposes the following policies:

1. **Conduct reviews of industry mix in Michigan’s ten largest cities**

   To understand what industries are needed, we must first understand the industry mix in Michigan’s major cities. The El-Sayed Administration will work with MEDC and local economic development boards to conduct reviews of the industry mix in each of Michigan’s ten largest cities and identify existing gaps. The goal of these reviews will be to identify the new industries needed to 1) employ residents who are currently unemployed and 2) to diversify the existing industry mix in ways that support sustainable, long-term growth.

2. **Conduct review of Michigan’s regulations in needed industries**

   Michigan’s current regulatory frameworks can be burdensome to entrepreneurs looking to start and grow businesses, especially if they have never owned a business before. That is why the El-Sayed Administration will convene an interagency task force to conduct a comprehensive review of the laws and regulations that affect small businesses identified by the city reviews, with the goal of identifying ways to streamline burdensome regulations and modernize processes. Additionally, the Administration will work with MEDC to centralize licensing and other application processes in the Small Business Development Centers.

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3. **Supporting policies that increase wages and support for low-wage work**

In cities with low labor force participation rate, like Detroit and Flint, the industries most needed to increase employment are industries that provide jobs that are entry-level and/or have low educational requirements. However, we recognize that those jobs rarely pay a living wage, even for full-time workers. The El-Sayed Administration will support policy interventions that work to increase wages and support for low-wage workers. These include increasing the Michigan Earned Income Tax Credit back to 20 percent of the federal credit; increasing the state minimum wage to $15 per hour; repealing legislation that prohibits local and county governments from setting minimum wages higher than the state minimum wage; supporting collective bargaining and workers’ right to organize; and moving to ban drug testing for marijuana, THC, and CBD by private and public employers, should marijuana be legalized.

**Additional supports for workers**

The premise of the American Dream is that if you work hard, you should be able to support a family. And yet, 40 percent of Michigan households cannot afford basic necessities, much less save.24 According to a 2015 Financial Capability Survey, nearly 50 percent of Michigan residents did not have a “rainy day fund” to cover expenses for three months, in case of emergencies such as sickness, job loss, or economic downturn.25 This is due in part to Michigan’s slow recovery from the Great Recession. Today, despite rebounds in corporate profits, Michigan is 16 percent below the national average in wages and benefits per capita, compared to 2000 when Michigan was just 1 percent below the national average.26

The majority of Michigan’s jobs do not pay enough to provide for a family, and we believe that the government should be held responsible for standing in the gap for those workers. However, we must recognize that a stronger safety net, while important for families, should not be an exit hatch for employers who refuse to pay a living wage. That is why our approach couples state intervention with policies that press employers – especially large employers – to give Michiganders the pay and support they deserve. The El-Sayed Administration will pursue the following once in office:

**1. Increase the amount of EITC**

The Earned Income Tax Credit is one of the most effective anti-poverty measures for families because it provides both an incentive to work and an annual boost in income. However, in 2012, the GOP reduced Michigan’s EITC from 20 percent of the federal credit to just 6 percent.27 Twenty states offer a refundable EITC higher than Michigan’s, and 10 states offer a refundable credit over 20 percent of the federal EITC.28 The El-Sayed Administration will work to raise EITC credits back to 2012 levels with the intent of gradually raising refundable credits to 30 percent dependent on increased state revenue. We also propose increasing credit levels for single adults without

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27 http://www.mlpp.org/our-work/eitc
dependent children, a policy that has proven to increase earnings for non-custodial men and significantly reduce poverty among young adults.29

2. **Fight for $15 minimum wage**

Sixty-two percent of jobs in Michigan pay less than $20 an hour, with two-thirds of those paying less than $15 an hour.30 Meanwhile, the bare-minimum Household Survival Budget increased by 18 percent from 2007 to 2015.31 The El-Sayed administration will fight to increase the state minimum wage from its current level — a historic low — to a more progressive $15 per hour.

3. **Single-payer healthcare**

Healthcare costs continue to cause a major strain on the budgets of both Michigan’s workers and Michigan’s businesses. The El-Sayed administration will pursue statewide single payer healthcare and the preservation of Medicaid expansion, the details of which will be discussed in our health policy agenda (to be released in the spring).

4. **Fair scheduling practices for hourly workers**

For many hourly workers, unfair and last-minute scheduling practices leave them unable to schedule full 40-hour weeks or create a consistent and reliable schedule that allows them to plan ahead for their families and other commitments. Following the lead of cities like San Francisco, the El-Sayed administration proposes adopting a worker’s bill of rights, legislation that encourages fair, predictable schedules, discourages the abusive practice of “on-call” scheduling, and increases protections for part-time workers while promoting full-time work and access to hours.32

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Public Transit

While other large cities across America have invested in public transportation solutions, Detroit and other Michigan cities spend less than half of what comparable metro areas spend on public transit. Yet, many residents in these cities live in carless households. In 2016, 19 percent of households in Flint, 13 percent of households in Grand Rapids and 25 percent of households in “The Motor City” did not have access to a car. Without reliable public transit, these households are often locked out of our economy. Lack of public transportation is linked to unemployment, lower annual incomes, and decreased economic mobility.

Not only does public transit connect residents to employment, businesses, and education opportunities; transit is key for inclusion. Residents who are disabled, who are elderly, or who simply cannot afford a car all rely on public transit to participate in the life of their cities. In order to connect all Michiganders with the jobs and opportunities they deserve, we must find ways to move people in cities within — and beyond — city limits. The El-Sayed Administration will pursue the following efforts to create innovative transit networks connecting urban hubs to surrounding suburbs, as well as shore up funding and increase bus services in cities:

Developing new sources of funding for public transit

The Michigan Constitution only allows 10 percent of the Transportation Fund revenue to be used for public transit. In absence of a constitutional amendment, Michigan needs to develop new sources of revenue dedicated to public transit in order to both maintain and expand existing bus routes and to build the type of robust public transit systems our cities need to compete in today's economy. This begins with requiring transparent accounts of budget expenditures — particularly for our rail funding — so that we can ensure that the funding that we have is being used as efficiently and effectively as possible. The El-Sayed Administration will also:

1. Support innovative partnerships

A number of agencies and organizations have already taken it upon themselves to fill gaps in Michigan’s transportation system. The Michigan Public Transit Association, for example, has leveraged local public transit agencies to develop a network of non-emergency medical transportation providers through their Michigan Transportation Connection Program. With additional state funding, this program could provide non-emergency medical transportation for the entire state, sustaining our public transit agencies while increasing the quality of service for our most vulnerable populations.

The El-Sayed Administration will reward innovative transportation projects like the Transportation Connection by working with these groups directly to provide resources, promoting legislation to aid their cause, or connecting them with state agencies that can serve as partners.

2. Open Transportation Economic Development Funds (TEDF) to use for public transit projects

ACS, 2016 5-year estimates, “Household Size by Vehicles Available”
The mission of the Transportation Economic Development Fund (TEDF) is to facilitate economic growth of the state and improve overall quality of life by investing in highway systems. As such, the TEDF is geared toward projects in five major categories: state industries, urban congestion relief, rural all-season networks, timber, and all-season roadways. We propose allowing state, county, and city applicants to use the Fund’s grant money for buses, trains, and other forms of public transit in addition to highway projects.

3. **Form a partnership between MEDC and Pure Michigan Bank**

Both the Michigan Economic Development Corporation (MEDC) and our proposed Pure Michigan Bank serve to foster economic growth and invest in job creation and talent — the former works with local partners and corporations to invest in capital, while the latter would work to provide necessary investments in infrastructure. The El-Sayed Administration proposes involving the two entities in the process of funding capital-intensive transit projects operated by local transit departments in order to diversify revenue streams beyond merely MDOT funds.

4. **Empowering municipalities to levy transit sales and use taxes to fund local transit**

In Minnesota\(^{35}\), Ohio\(^{36}\), and Texas\(^{37}\), metropolitan transit authorities are permitted to levy a tax on transit users to generate revenue for transportation projects within the jurisdiction of the area in which the tax is levied. Tax rates vary by county and are approved by residents via a vote. The Michigan Department of Treasury currently prohibits counties and municipalities from implementing such a system; however, doing so would be a democratic method of collecting sustainable revenue for local transit authorities. The El-Sayed Administration would explore options for empowering municipalities to fund public transit through sales and use tax, including efforts to incentivize collaboration between for small cities and surrounding metro areas.

**Incentivize regionalism**

The amenities and opportunities metropolitan areas offer should be accessible to every resident of the region. A comprehensive, reliable transit system that adequately links cities to suburbs is not just a preference for many Michiganders: it is also essential to their livelihoods. In order to ensure fair access to employment and educational opportunities across metropolitan areas, the El-Sayed Administration proposes the following:

1. **Sustainably funding the Regional Transit Authority and supporting a regional transit ballot initiative**

The RTA was created by Public Act No. 387 of 2012 and consists of ten appointed members from Wayne, Oakland, Macomb, and Washtenaw counties. The Authority is charged with overseeing and securing resources for the region's four transit providers. However, the agency is underfunded and its 2016 attempt to pass a millage for regional transit failed. The El-Sayed Administration will allocate funding from the Michigan Department of Transportation to the RTA through 2020 via the department's grant program and support efforts by the RTA to propose a ballot initiative.

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\(^{35}\) [http://www.revenue.state.mn.us/businesses/sut/factsheets/FS164.pdf](http://www.revenue.state.mn.us/businesses/sut/factsheets/FS164.pdf)

\(^{36}\) [https://www.tax.ohio.gov/sales_and_use.aspx](https://www.tax.ohio.gov/sales_and_use.aspx)

\(^{37}\) [https://comptroller.texas.gov/taxes/sales/mta.php](https://comptroller.texas.gov/taxes/sales/mta.php)
2. Explore public-private partnerships

Transit authorities tend to work best when they incorporate resources from the public and private sectors. Genesee County’s Mass Transportation Authority is the largest and most effective commuter network in the state, relying on millages for services and operations, while allowing local businesses to underwrite “job connector” routes that connect residents in the city to businesses in the surrounding area - routes that the MTA could otherwise not afford. We will look into coordinating similar partnerships between local transit authorities and corporate entities to provide sustained funding for operations and services, particularly along routes that connect urban populations to jobs and education in the broader metro area.

3. Form inter-region partnerships to encourage the creation of “job connector” lines

Establishing commuter routes is the most effective way to drive job growth and economic development through transit systems. In addition to incentivizing public-private partnerships to finance these routes, the El-Sayed Administration will work with RTA and SMART to prioritize the creation of these job connector lines in forthcoming transit plans and the aforementioned ballot initiatives.

Investing in clean fuels and green transit

In addition to creating new transit programs, our administration will work to refine and innovate existing technologies. Through MEDC, we plan to invest in research surrounding the funding and implementation of clean energy transportation, including low-emission buses, compression and pressure reduction equipment, and renewable energy. We will also utilize the Federal Transit Authority’s Low or No Emission Vehicle Program, which funds state and local transitions to clean transit through grant-matching.
Environmental Justice

All Michigan residents should have access to clean air, clean water, and a safe environment to live, work, and play regardless of where they live, who they are, or how much they make. However, the reality is that sources of pollution are often concentrated near low-income communities of color.\(^{38}\) In fact, race is the largest factor that determines the location of toxic waste sites.\(^{39}\)

Urban communities that are black and brown not only face disproportionate exposure to pollution, but are also at risk of being deprived of vital resources. While access to clean water should be a basic human right, cities such as Flint and Detroit are plagued with large-scale water shutoffs. Many low-income residents sacrifice other needs to pay high energy bills, yet have no way to mitigate the cost because financing for clean energy, weatherization, and efficiency upgrades is prohibitively expensive.

Michigan’s political climate can shoulder some of the blame for Michigan’s persistent environmental inequality, but it is not the only culprit. Heavy polluters often take what is seen as the “path of least resistance” — either locating in poor communities that do not have the resources to fight their placement, or making deals that promise to benefit nearby communities with little to no follow through.\(^{40}\) Nevertheless, MDEQ has done little to address this, despite designing an environmental justice plan following an executive directive in 2007. This must change.

The El-Sayed Administration will be committed to using the full powers of the government to not only fight corporations that choose to poison those that they see as powerless, but to collaborate with municipalities and community organizations to ensure that every Michigan resident has access to clean, affordable water and energy, and a safe environment. Through legislative action, executive action, and community engagement, we will work to create a thriving green economy that benefits and includes all Michiganders.

Water affordability

Access to clean water to drink, bathe, cook and clean should be a fundamental human right. But Michigan’s poorest residents disproportionately lack access to safe and clean drinking water. The situation is particularly dire in Detroit, where an estimated 83,000 families faced a water shut-off between 2014 and 2016, with another 18,000 families expected to have their water shut off during 2017. Flint also faces a water shutoff crisis, with more than 9,000 households past due on their water bills as of last May. Recently, a preliminary study from Henry Ford Health Global Health Initiative demonstrated that “patients who live on blocks that experienced water shutoffs were 1.55 times more likely to be diagnosed with a water-associated illness.”

The El-Sayed administration would support the following policies, all of which pursue at least one of three goals: 1) end water shutoffs; 2) ensure universal access to water at affordable rates, so that low-income families have the means to access clean water; and 3) increase fresh water conservation by reinvesting in our state’s failing water infrastructure.

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\(^{38}\) [https://www.nrdc.org/stories/environmental-justice-movement](https://www.nrdc.org/stories/environmental-justice-movement)


1. **Work with the Michigan Department of Health and Human Services and the State Health Director to review and mitigate the immediate health consequences of water shutoffs**

Within the Public Health Code (PA 368 of 1978), there exists ample grounds under which MDHHS and the Michigan Health Director can intervene “for the protection of the health, safety, and welfare of the people of this state” (MCL 333.1111). Beginning on the first day of the El-Sayed administration, the Health Director would be immediately engaged to consider necessary interventions toward this end. This includes, but is not limited to a review of the available evidence, a commissioned public health study of the effects of water shutoffs with respect to overall health as well as racial or ethnic disparities in health (Under MCL 333.2227, MDHHS has a duty to address racial and ethnic health disparities in health), and/or an immediate moratorium on shutoffs.

2. **Support the passage of legislation to ensure access to water for all**

Since 2015, House and Senate Democrats have introduced a slate of bills related to water shutoffs, but none of these bills have proceeded to a vote. The El-Sayed Administration would lobby for the immediate passage of these bills with amendments to ensure a tiered (“increasing block”) pricing structure that guarantees access to affordable water and promotes water conservation.

Our proposed pricing structure will be similar to the increasing block structure Detroit’s Blue Ribbon Panel on Affordability endorsed in their 2016 report. However, instead of charging for minimal usage, a “living standard” of water (which we define as the amount of water needed to drink, bathe, cook, and clean by a family of four) would be provided free of charge. Above this threshold, rates would be charged within predefined ranges (“blocks”) of consumption, with the rate exponentially increasing with consumption. Such a pricing structure not only ensures universal access to clean water, but also allocates the recovery of cost to those who use the most water, providing a progressive system of payment for water infrastructure maintenance.

The described rate structure will be limited to residential customers and to qualifying community organizations (e.g. churches, daycares). Commercial and industrial customers will be subject to the current volumetric pricing structure, wherein a flat fee is charged per CCF. Water authorities will be allowed to define consumption blocks and set the prices for each consumption block; however, prices for the first blocks after the living standard must be priced at a level that is affordable, such that it does not exceed 10 percent of the household income for a low-income household of four.

The proposed legislation should be complemented by water conservation initiatives — including education, and home repairs — that make it possible for all customers to reduce their water bills by reducing water usage.

**Water infrastructure**

Michigan’s water pipe infrastructure is antiquated and has unsafe amounts of lead and copper, putting the state in constant risk of another drinking water crisis. It is estimated to cost between $731 million and $1.01 billion *per year* to bring the infrastructure up to modern standards between now and 2030. Annually investing a conservative amount of these funds — $690 million — would ensure clean drinking water for residents and create over 13,800 jobs a year.

The El-Sayed Administration will implement a two-fold funding strategy to repair and upgrade drinking water infrastructure.
1. Capitalize a Clean Water Infrastructure Bank within the Pure Michigan Bank

The first step to ensuring that cities and counties have the funding they need to replace lead pipes is to capitalize a Clean Water Infrastructure Bank within the Pure Michigan Infrastructure Bank using a mix of bond funding and a reallocation of funds from the budget of the Department of Corrections. The Clean Water Infrastructure Bank will fund both public repairs and incentivize private sector infrastructure construction through a low-interest loans and other targeted financing products.

2. Reinstate revenue sharing

Reinstating state revenue sharing will be an executive priority of the El-Sayed Administration. Municipal water utilities are funded by ratepayer fees as well as state and local tax revenue. However, since 2001, the state has diverted over $6 billion of sharable revenue to fund state programs, stripping cities and counties of the money they need to upgrade aging pipes and sewer systems. The El-Sayed administration will increase revenue sharing for cities, towns, and villages (“CVT revenue sharing”) annually, with the goal of reaching “full” revenue sharing (defined as distributing the amount of the revenue set forth by PA 532 of 1998) by 2023.\(^{41}\)

3. Increase water quality standards

In addition to funding water infrastructure investments, the El-Sayed Administration will push for higher standards for water quality. This includes reducing the Lead Action Level for drinking water from 15 ppb to 5 ppb by 2020; creating a water quality testing program for all schools and child care centers (as El-Sayed did as Health Commissioner in Detroit); and pushing for legislation prohibiting partial lead pipe replacements, which are the largest cause of drinking water contamination. The El-Sayed Administration will also merge the Department of Environmental Quality back into the Department of Natural Resources to ensure that both departments are funded at adequate levels ($900-$950 million per year) and restore the budget of the Office of Drinking Water and Municipal Assistance back to its 2006 funding levels (approximately $16 million.)\(^ {42}\)

Sustainability and clean energy

Our continued reliance on dirty energy has hurt — and will continue to hurt — the health of Michigan’s urban areas. Yet, our state government has done little to incentivize sustainability and the production of renewable energy. As a result, the health of many city residents, particularly those who are poor and of color, has suffered. Adults in Detroit were 29 percent more likely to be diagnosed with asthma.\(^ {43}\) Cities, including Detroit and Grand Rapids, have experienced multiple sewage backups into sources of drinking water.\(^ {44,45}\) And as recently as June, MDEQ was moving to approve a permit to expand a hazardous waste plant in Detroit, despite the fact that the expansion

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\(^{41}\) PA 532 of 1998 establishes the most recent percentage for statutory revenue sharing -- 74.94% of 21.3% of sales tax revenue at the 4% rate.


would further endanger the health of nearby communities where 81 percent of residents live below the poverty line.\textsuperscript{46}

State action towards sustainability is critical as Michigan’s cities often lack the planning and resources required to mitigate the effects of pollution and climate change. The El-Sayed Administration will take aggressive steps to ensure that all residents of Michigan’s cities have access to clean air and water, public green space, and the benefits of a thriving green economy. To this end, the administration will 1) set aggressive timelines to increase renewable energy generation; 2) provide funding through the Pure Michigan Infrastructure Bank — a green bank that leverages private investment to match public funding for school buildings, water, and clean energy — to invest in clean energy infrastructure and financing; and 3) support community projects and legislation to implement targeted, region-specific solutions.

**Implement a statewide initiative for greener cities**

Michigan’s environmental and public health is particularly dire in its cities: from Detroit having the state’s most polluted zip code;\textsuperscript{47} to lead-contaminated water in Flint;\textsuperscript{48} to 67 superfund sites scattered across the lower and upper peninsulas. The El-Sayed Administration will establish a statewide initiative to improve environmental and public health in Michigan’s cities.\textsuperscript{49} The initiative will empower local governments to design and implement region-specific programs to meet a set of unifying goals through funding from the Pure Michigan Bank and access to technical expertise provided through a revitalized MDEQ and an Urban Sustainability Board made up of green energy experts who either work in Michigan or are Michigan natives working on similar issues nationally. The initiative will help cities:

1. **Provide equitable access to energy efficiency**

Energy inefficiency contributes to high energy bills, increases greenhouse gas emissions, and has compounding negative health effects, as families who struggle to pay their energy bill often sacrifice other necessities, leading to food insecurity and negative health effects.\textsuperscript{50} Yet, low-income families in Michigan on average spend 15 percent of their income on energy — almost triple the U.S. average of 6 percent\textsuperscript{51} — thanks to a combination of older, less efficient housing, large temperature fluctuations, and lack of access to energy efficiency programs.\textsuperscript{52}

Home energy efficiency upgrades are one of the most cost-effective ways to reduce energy waste reduction, often reducing energy costs by 15 to 30 percent.\textsuperscript{53} Thus, the El-Sayed Administration will leverage the Pure Michigan Bank to increase access to low interest energy efficiency loans by

\textsuperscript{46} http://www.detroitnews.com/story/news/local/detroit-city/2017/06/06/hazardous-waste-detroit-resistance/102567244/
\textsuperscript{47} http://michiganradio.org/post/toxic-town-michigans-most-polluted-zip-code
\textsuperscript{48} https://www.pbs.org/newshour/science/study-confirms-lead-got-flints-water
\textsuperscript{49} http://www.mlive.com/news/index.ssf/2016/05/toxic_sites_in_michigan_tell_t.html
\textsuperscript{50} https://www.nrdc.org/experts/khalil-shahyd/study-highlights-energy-burden-households-and-how-energy-efficiency-can-help
\textsuperscript{52} https://www.eia.gov/consumption/residential/reports/2009/state_briefs/pdf/mi.pdf
providing grant funding for Michigan Saves to expand its services and by working with cities to increase access to free or low-cost services — including audits, project planning, and affordable financing — to building owners. Additionally, we will work with organizations such as Michigan Energy Efficiency For All (MEEFA) to increase access to building energy use data and help to ensure that adequate savings goals are allocated for low-income multifamily housing. The administration will also require all State of Michigan owned buildings to be benchmarked by January 2020 (as of August 2017, only about one in six were). 54

2. Decrease landfill and incineration use through improved recycling programs

Living near landfills puts residents at risk of toxic exposure from landfill gases and groundwater contamination, 55 while living near incinerators increases asthma risks. 56 However, Michigan does not just lack an organized, effective recycling initiative; it actually incentivizes landfill use through legislative and systemic supports. As a result, in 2014, Michigan’s residential recycling rate was 15 percent — far below the national average of 35 percent 57 — and close to 23 percent of what went into Michigan’s landfills in 2015 was imported from out-of-state. 58

The Snyder administration has set a statewide residential recycling goal of 30 percent in two years. 59 Not only will the El-Sayed Administration support this goal, we will speed progress by imposing a statewide landfill user fee. The fee will fund local initiatives to provide free or low-cost recycling services for residents and businesses (such as Detroit’s curbside recycling program) and investment in green infrastructure. The administration will also support legislation to disincentivize importing waste and expanding landfills; will strictly enforce existing regulations; and will offer funding through the Pure Michigan Bank for recycling infrastructure expansion.

3. Fund blue and green infrastructure projects

Many Michigan cities are already home to groups active in blue and green infrastructure — cost-effective projects that use the natural landscape and resources to manage stormwater, improve air quality, reduce noise pollution, and increase access to public green space. For example, Detroit recently greenlit a series of green infrastructure projects to reform the city’s stormwater management system, which will not only save the city close to $1 billion over two decades, but also put a portion of the city’s large stock of vacant land to productive use. 60

The El-Sayed Administration will enable local governments to design and implement similar asset-based blue and green infrastructure projects, either in conjunction with or in place of traditional infrastructure projects. In partnership with MDEQ and the Pure Michigan Bank, we will secure funding for local governments to re-evaluate water infrastructure requirements based on the most recent rainfall and extreme weather data, and make additional funding streams accessible to local

54 https://database.aceee.org/state/public-building-requirements
55 https://www.health.ny.gov/environmental/outdoors/air/landfill_gas.htm
56 https://www.cleanwateraction.org/features/incineration
58 http://michiganradio.org/post/recycling-hits-some-snags-michigan
59 http://www.mlive.com/environment/index.ssf/2017/05/michigan_recycling_coalition_s.html
governments that build and maintain partnerships with community landscape infrastructure organizations. The administration will also provide opportunities to utilize vacant land and other available resources for blue and green infrastructure projects.

**Expand renewable energy infrastructure**

Fossil fuels must be phased out in order to ensure clean air and water for all of Michigan’s citizens. But despite recent efforts to reduce statewide carbon emissions and pursue greater use of renewable energy, progress remains far too slow. In 2016, coal accounted for about 36 percent of Michigan’s electricity generation; natural gas accounted for about 25 percent, and four of the ten largest plants in the state are coal-fired, with many of these power plants located in or near Michigan’s cities.

Setting aggressive renewable energy targets and providing incentives to encourage residential and commercial use can significantly lower emissions and spur growth in a thriving green economy. That is why the El-Sayed Administration will ensure universal access to Michigan’s clean economy through innovative green job training, access to affordable clean energy, and energy efficiency financing.

1. **Incentivize consumer use of renewable energy**

Low-income families already face a large energy burden, but many working- and middle-class consumers are priced out of small-scale renewable energy due to large, up-front costs and a lack of affordable financing. The El-Sayed Administration will work toward eliminating financial barriers to small-scale renewables through three avenues. First, we will provide low-interest loans to homeowners through the Green Bank component of the Pure Michigan Bank. Second, we will pilot a revenue sharing program to improve municipalities’ ability to grant funding for Michigan’s Property Assessed Clean Energy (PACE) program, and make PACE financing accessible to low income communities by guaranteeing loans that exceed the current limit of 25 percent of the property’s value. Third, we will provide a grant from the Pure Michigan Bank to Michigan Saves to continue its provision of low-interest renewable energy loans and include credit enhancements, increasing access to financing for clean energy upgrades.

2. **Introduce a revenue neutral carbon offset**

Carbon emissions have an inherent social cost that is not captured by the market. This cost is expected to increase over time as our economy and physical systems are stressed by greater levels of climate change. Extreme weather events, the spread of disease, and increased food insecurity are exacerbated by high carbon emissions, and can be devastating to the health and economic well-being of Michigan families.

To supplement the incentives for clean economic development in the Pure Michigan Bank, the El-Sayed Administration will work with the Michigan legislature to implement a statewide revenue neutral carbon offset. This will hold polluters accountable for their emissions while reducing the burden felt by hardworking Michiganders, particularly in communities that have been hit the hardest.

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61 [https://www.eia.gov/state/?sid=MI](https://www.eia.gov/state/?sid=MI)
64 [https://www.edf.org/true-cost-carbon-pollution](https://www.edf.org/true-cost-carbon-pollution)
Carbon polluters will pay a fee beginning at $30 per ton of CO$_2$ in 2020, and increasing 5.2 percent annually, the revenue from which will be distributed as follows: 11 percent will go ratably to households earning below 200 percent of the federal poverty rate; a flat percentage income tax cut will go to households earning between 200 percent of the federal poverty rate and $150,000; and a smaller lump sum payment will go to households making less than $100,000. If enacted as proposed, this payment distribution could effectively cut middle class taxes by 4 to 6 percent without impacting economic growth.

3. Support the greening of automotive

The automotive industry is making a rapid shift to electric and autonomous vehicles, but Michigan still lacks statewide incentives to purchase electric vehicles (EVs) and is ranked among the worst states for deployment of alternative fuel technology. As a result, Michigan is failing to take full advantage of rapidly growing industries, such as renewable energy components manufacturing and EV charging infrastructure, for which it is well positioned to train a workforce and provide legislative and economic supports.

The El-Sayed Administration will put incentives in place to spur the state’s electric vehicle market and clean energy components manufacturing. We will provide cost-lowering incentives and charging station infrastructure investment through the Pure Michigan Infrastructure Bank, and form a future vehicle technology commission to coordinate guidelines. A targeted business incubation grant program (funded by MEDC) and a small renewable energy tax credit will also help attract and retain clean energy components manufacturing in the state. Additionally, the administration will focus on creating green jobs in the transportation and fuels industry through EV policy. Finally, we will support job retraining geared toward middle-skill employment in the sector through the creation of a job training “marketplace” that rewards high quality programs, and reinstatement and expansion of No Worker Left Behind.

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Criminal Justice Reform

Michigan devotes a larger portion of our budget to corrections than any other state (roughly 20 percent of the state’s General Fund), largely because we have an incarceration rate 11 percent higher than the national average. More importantly, Michigan’s incarceration rates for African-Americans compared to white Americans remains far higher than the national average (6:1 compared to 5:1, respectively), and the juvenile custody rates for black youth are nearly five times higher than those for white youth. Yet, our crime rates are not lower and our communities are not safer; violent crime rates in Michigan are 15 percent higher than the national average, even as we pack our prisons with more and more Michiganders.

The growth of Michigan’s prison system over the past several decades has created a volatile prison environment that harms prisoners as well as corrections officers, staff, and communities – particularly urban communities. The El-Sayed administration is committed to reforming the Michigan criminal justice system in five areas: 1) reducing sentence length; 2) reducing the prison population; 3) improving prison conditions; 4) supporting returning citizens; and 5) improving hiring and training standards for police to reduce police violence. It is our hope that by targeting these areas, we can move more Michiganders from prison to productive citizenship, while reducing the biases that undermine our criminal justice and law enforcement systems. It is time for our commitment to liberty and justice for all to be more than an empty promise.

Reducing sentence length

Michigan has some of the longest sentences in the country (with an average length of 4.3 years) and a high percentage of prisoners serving life and long-term sentences. This comes at a cost: Michigan spends $61 million annually holding prisoners longer, despite having low rates of rearrest. The El-Sayed administration believes that reducing sentences must be the first step in both reforming our broken criminal justice system and balancing our state budget.

1. Repeal Truth in Sentencing laws

Currently, Michigan’s Truth in Sentencing (TIS) law requires prisoners convicted of felonies to serve 100 percent of their minimum sentences before they are eligible for parole. There is no reduction for good behavior or time served. We propose repealing TIS as this would allow for more flexibility in sentence length based on the rehabilitation that occurs in prison.

2. Commute all sentences for juveniles sentenced to life in prison and raise the age of adult prosecution

Since 2012, Michigan has had to resentence approximately 370 prisoners in response to U.S. Supreme Court rulings banned mandatory life without parole sentences for juveniles. However, we

66 https://www.kff.org/other/state-indicator/distribution-of-general-fund-spending/?currentTimeframe=0&sortModel=%7B%22colId%22:%22Location%22,%22sort%22:%22asc%22%7D
67 http://www.sentencingproject.org/the-facts/#map?dataset-option=SIR
68 https://nicic.gov/state-statistics/2015/michigan
feel that the state’s new sentencing guidelines (which cap minimum sentences at 25 years and maximum sentences at 60 years) are still too harsh. We propose amending the legislation (PA 22 of 2014) to reduce the minimum sentence to 10 years and the maximum sentence to 25 years. Additionally, within the first term, the El-Sayed Administration would review the sentences of all prisoners sentenced before age 18 (nearly 4,000 as of March 2013) with the aim of commuting sentences for all prisoners deemed low risk, with credit for time served. Furthermore, because Michigan is one of only five states that prosecutes 17 year olds as adults, the El-Sayed Administration will work to raise the age of adult prosecution from 17 to 18 for all felony offenses.70

3. Amend habitual offender statute to only apply to violent crimes (MCL 769.12)

Unlike many states, Michigan does not have a “three strikes law.” Instead, we have a habitual offender statute that acts as an enhancer, allowing for an increased sentence for each subsequent offense with a maximum penalty of double the maximum sentence for a fourth offense. We recommend amending the habitual offender statute to apply only to violent felony offenses, as the current iteration of the law costs the state millions of dollars; applies to only a handful of offenders each year; and strips judges of their ability to apply sentencing discretion in what are often complex cases.

Reducing the prison population

Reducing the prison population is essential to criminal justice reform in Michigan and can be achieved largely through a more active and comprehensive effort to reform current parole processes. According to the Michigan Collaborative to End Mass Incarceration: “Over 16 percent of Michigan prisoners are past their first parole eligibility date due to parole board discretion, which allows prisoners who have served their judicially imposed minimum sentences and are eligible for release to remain in prison, including those who have favorable scores on the Michigan Department of Corrections’ parole guidelines and other risk assessment instruments.”

1. Streamline the parole process through presumptive parole and additional parole board appointments

The El-Sayed Administration will push the parole board towards more meaningful and efficient parole review in three ways. First, we will appoint additional members, with backgrounds in social work and corrections, to the parole board to increase the board’s capacity and help reduce processing times. Second, we will push the Senate to pass a strong presumptive parole bill — similar to HB 4138 — that will require the parole board to release current and future offenders at their earliest release date, unless there are severe, aggravating factors. Third, because presumptive parole does not apply to those with life sentences, we will require the parole board to conduct meaningful parole interviews every five years for individuals serving life sentences.

2. Push for meaningful treatment, rehabilitation, and parole review for those classified as “problem prisoners”

Any reform aimed at equitably reducing the prison population must work with MDOC to reform the way that those classified as “problem” or “high risk” prisoners (a population disproportionately made up of young black men) are treated, both in prison

and in the parole process. These individuals are often in high security prisons or segregation units (i.e. solitary confinement) for prolonged periods of time and are thus effectively rendered ineligible for parole. The El-Sayed Administration will appoint a limited term commission to identify new practices and needed reforms — and then direct MDOC to institute these reforms — to ensure that even those classified in the highest security prisons would receive appropriate rehabilitative treatment and meaningful parole review at every opportunity.

3. **Explore commutation options for specific populations**

Over 25 percent of Michigan’s prison population are those serving life sentences or near life sentences. Thus, in order to truly depopulate our prisons and reduce mass incarceration, we must begin to consider other options for those serving lengthy or life sentences. The El-Sayed administration will explore commutation options for the portion of these 11,000 prisoners who are serving over 25 years and who were sentenced as juveniles, in order to allow them a chance at freedom after serving more than their fair share of time.

**Improving prison conditions**

The objective of the El-Sayed Administration will always be to create environments that help all Michiganders flourish, and our prisoners are no exception. Twenty percent of people in Michigan’s prisons have a diagnosed mental illness and over two-thirds of all prisoners in Michigan have a history of substance abuse. Our prisons need to be a place where these Michiganders have access to the healing, skills, and training they need to return to society as healthy and productive citizens. Further, stories surfacing of maggots in prison food suggests that mass privatization of prison services has degraded their quality.

1. **Improve access to therapy and rehabilitative program**

Improving access to rehabilitative programming, specifically mental health services, is the first step towards making our prisons environments conducive to rehabilitation. The El-Sayed administration proposes improving the therapist-to-prisoner ratio to one therapist for every 50-75 prisoners (as the American Association of Correctional Psychology recommends), largely by redirecting funds generated through prison depopulation. Additionally, we will work with MDOC to increase the provision of rehabilitative programming so that every prisoner has access to at least one program during their first two years of incarceration, instead of waiting to receive programming until at least two years prior to their release date as is currently the case. We will also direct MDOC to pilot mentoring programs between long-time prisoners with histories of good behaviors and new entrants in order to foster positive community and social support.

2. **Ensure trauma-informed training for prison staff and reduce the use of solitary confinement**

Improving the mental and physical health of people in prison is paramount for both lowering the recidivism rate as well as helping many prisoners deal with histories of abuse and trauma. The El-Sayed administration will work to fund and ensure trauma-informed training for prison staff as well as review current prison programming to ensure that all relevant programs are trauma-informed.

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71 [https://docs.wixstatic.com/ugd/c02894_b548c9f270884721ace226642ebadb09.pdf](https://docs.wixstatic.com/ugd/c02894_b548c9f270884721ace226642ebadb09.pdf)
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Additionally, given the substantial body of evidence regarding the negative effects of long-term solitary confinement, we will work to drastically reduce the use of solitary confinement, particularly for juveniles and those with previous histories of mental illness, with the goal of eliminating solitary confinement in all but the most serious circumstances.

We will do this through three avenues. First, we will work to ban solitary confinement for juveniles, both through internal MDOC guidelines and formal legislation. Second, we will require MDOC to devise standards for administrative segregation that limit both the duration of segregation and the offenses for which it can be used. Third, we will increase the provision of therapeutic and behavioral interventions as an alternative to segregation and provide correction staff with the training and resources they need to implement these alternatives at scale.

3. Take steps to better physical health among prisoners

Good physical health is crucial to good mental health. However, many of the services most associated with the physical health of prisoners (namely food and medical services) have been privatized, placing them effectively out of state control. The El-Sayed administration will combat this problem by terminating the contract with Trinity Food Group, the current food provider, and moving instead to once again contract with local providers committed to providing fresh, healthy meals using Michigan produce. Similarly, we will renegotiate the DOC contract with healthcare provider Corizon Health in order to 1) increase provision of specialty care, mental health care, and off-site care, and 2) to encourage the creation of pilot projects that address emerging and persistent health issues.

Supporting returning citizens

We know prison reform does not end with the prisons. The El-Sayed Administration will be committed to comprehensive post-incarceration policies that reduce recidivism and ensure ex-offenders have a fair shot at employment and opportunity. These policies include proactive job-training programs prior to release; reforms to employment practices and housing discrimination that reduce discrimination in relation to criminal history; and the creation of a reentry task force focused specifically on supporting returning citizens and their families as they transition back to their communities.

1. Institute wraparound supports and create the Office of Reentry Support

Reducing recidivism begins with instituting wraparound supports for soon-to-be released inmates. This includes partnering with job training programs (like those run by Center for Employment Opportunities) that begin in prison; providing reliable access to ABE for those incarcerated; and scaling up promising programs like Vocational Village to cover more prisons.

Initiatives such as these will be spearheaded by a newly-created Office of Reentry Support within MDOC. The office will function primarily as grant-making body for local organizations and service providers that serve returning citizens. This will allow localities to have the freedom to choose how they wish to support their community’s returning citizens, while ensuring that cities and counties are not left to deal with the financial burden associated with re-entry on their own. In addition, the office will provide support for statewide priority areas as decided by the El-Sayed Administration and MDOC, with the first priority areas being transitional housing programs and programs for formerly incarcerated women.
4. Housing support and combating discrimination against people with criminal records

Former inmates with unstable housing are more than twice as likely to recidivate as those living in stable housing.\(^74\) and in 2015 alone, the MDOC reported that 23 percent of all parolees experienced medium- or high-risk housing instability upon release.\(^75\) Federal guidelines already ban blanket “no criminal record” policies, but we believe housing providers should look at each prospective tenant with a criminal record on a case by case basis. We support a transparent application process that allows those with records to know the specific reason for the denial.

To ensure such a process and limit undue discrimination, the El-Sayed administration will introduce legislation to “ban the box” on housing applications. The legislation would prohibit landlords from asking about prior criminal convictions and make failure to comply be subject to fines, with 50% of fines going directly onwards the complainant. Rejections would be allowable for certain convictions such as criminal sexual assault, sexual offenses against minors, and first-degree homicide, histories of repeat or recent violent offense, and circumstances where landlords can provide evidence that the applicant presents a threat to safety. However, the bill will allow those who are rejected to request written notification about why their offers were rejected.

3. Introduce statewide fair chance hiring policies

After housing, employment is the biggest hurdle that many returning citizens face. Yet, Michigan residents overwhelmingly believe that the government should invest in efforts to help returning citizens find jobs as a way to reduce recidivism. The El-Sayed administration would work to introduce statewide fair chance hiring policies for both private and public employers. While some positions will be exempt from the guidelines established by this legislation, these policies will nevertheless help returning citizens find and maintain jobs that will help support themselves, their families, and their communities.

Based on the fair chance policies in Illinois, Minnesota, and DC, the El-Sayed bill would prohibit private employers from:

- Inquiring about criminal records until after a conditional offer of employment
- Asking applicants for voluntary disclosure of background information
- Requiring self-reporting questions about conviction history from initial employment applications

And public employers would be required to:

- Not disqualify applicants from employment and/or licensure unless the conviction is directly related to the nature of the employment sought
- Consider mitigating factors in considering convictions based on EEOC arrest and conviction guidelines as well as evidence of rehabilitation
- Prohibit consideration of records of arrest not followed by valid conviction, annulled or expunged convictions, and misdemeanor convictions for which no jail sentence can be imposed when evaluating applicants for hiring or licensure.

For both private and public employers, failure to comply would result in fines, 50 percent of which would go to the complainant.

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\(^75\) MDOC Office of Research and Planning, 2011 Prisoner Reentry Parolee Population COMPAS, at p. 6 (April 26, 2012)
4. Strengthen the expungement process and begin to restore former rights

Lastly, the El-Sayed administration will begin to restore the rights of the formerly incarcerated by reinstating the right to serve on a jury for convicted felons. Michigan is currently one of 27 states that permanently bars convicted felons from the jury process, while 22 others have varying degrees of reinstated rights. We propose a model such as Maine’s, which places no restrictions on convicted felon’s opportunity to serve as a juror. We will also instruct MDOC to strengthen the expungement process for those who meet specific criteria by launching a commission populated with returning citizens and the businesses that hire them.

5. Support “clean slate” legislation

Michigan allows for the expungement of criminal records, but many returning citizens do not have the means to access the legal help they need to participate in the expungement process. Clean slate legislation helps to bypass these obstacles, by making expungement automatic and a responsibility of the courts. We support the Clean Slate legislation introduced by the bipartisan Citizens Alliance on Prisons and Public Spending, which would allow courts to shield conviction records from public view -- but not the view of law enforcement -- in cases where no criminal activity has occurred for the past 5-10 years.

Improving policing standards and tackling police violence

As the public face of the criminal justice system, the police play an essential part in the administration of justice in Michigan. We must work to change the distrust that many communities — specifically those of color — have for law enforcement as a result of a history of police bias and brutality. Excessive force and the failure to use de-escalation techniques, the growing use of military hardware by police departments, unmitigated implicit bias, and often a lack of accountability to communities have all contributed to a reality where many lives are needlessly cut short, many people experience senseless violence and brutality, and the basic Constitutional and human rights of many citizens are not respected.

As a survivor of police discrimination and harassment, Governor El-Sayed will do everything in his power to aggressively curb police violence and to ensure fair treatment for all, starting with the five recommendations below.

1. Create an advisory board for training and hiring practices

The El-Sayed administration will create a commission, run by the Michigan Commission of Law Enforcement (MCOLES), to revise standards for police training and hiring and community policing. The commission will research best practices and create new protocols focused on using recruitment and screening procedures to mitigate the effects of implicit bias; create continuing education resources to support officers; create guidelines for standards of diversity within police forces; and oversee the creation of a statewide database to enhance data collection on civilian fatalities caused by police.

2. Use evidence-based policies to implement implicit bias training and de-escalation training

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76 http://www.ncsc-jurystudies.org/~/media/Microsites/Files/CJS/Jury%20News/JuryNews31-1_ConvictedFelons.ashx
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Raising awareness of police bias among police chiefs and officers is the first step towards combating systemic racism in the criminal justice system. The El-Sayed administration will follow the lead of evidence-based departments such as the Las Vegas Metropolitan Police Department, which has used examination of data to identify and address areas where police are using excessive force. Additionally, we would work with the MSP to implement implicit-bias training and de-escalation training for the entire force and immediately move to limit the acquisition and use of military equipment by both state and local police.

3. **Encourage the adoption of body camera programs**

Only 50 of the 571 police departments in Michigan currently use body cameras, despite evidence that body cameras can reduce use of force and the volume of complaints against officers. This is not surprising; body camera programs can be expensive and difficult to implement, even for the most well-resourced departments. That is why the El-Sayed Administration will work with the MSP and the Michigan Commission on Law Enforcement Standards (MCOLES) to develop resources to support and encourage the use of body cameras. These include model policies for body camera programs; technical support and training for interested departments; and a small grant program that will provide initial funding for body camera programs for departments that could otherwise not afford them.

4. **Institute evidence-based community policing programs**

Fostering trust between police and the communities they serve is crucial to improving public safety in our cities. However, community policing initiatives often fall short of their intended aims, largely because they are based on perceptions about the communities policed, the causes of crime, and effective methods of interaction that are not founded in evidence. The El-Sayed Administration will partner with MCOLES to develop frameworks for community policing programs based on academic research and the recommendations in the 2017 MCOLES report, *Improving Public Trust in Law Enforcement in Michigan*. The goal of these frameworks will be to provide evidence-based benchmarks for community policing without creating additional work for municipal police departments. Departments who adhere to the framework will receive technical assistance from MSP, both in regard to implementation and efforts to apply for outside funding to support their community policing programs.

5. **Diversify our police forces**

Michigan’s police forces do not look like Michigan’s population. Only 15 percent of Michigan police are of color — despite people of color making up nearly 25 percent of the state — and only 14 percent are women. The El-Sayed Administration will support any and all efforts to diversify law enforcement, including targeted recruitment, neighborhood partnerships, and mentorship programs between officers and recruits from underrepresented populations. We will also mandate a census-based review of force diversity and efforts to recruit accordingly for the Michigan State Police.

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Restoring municipal control

Michigan has the most stringent emergency management laws in the nation. In most cases, emergency management laws are enacted in lower-income communities that are often cities with proportionately large populations of color. While intended to serve as a necessary intervention in the early stages of a financial crisis, emergency management laws have instead served as the basis for draconian measures that have violated democratic leadership. These laws siphon political power, bypass necessary checks and balances, and disenfranchise affected communities — many of whom have already been disadvantaged by the state in countless other ways.

While we recognize that healthy cities have healthy finances, balanced budgets should not come at the expense of a community’s ability to govern itself within the rights provided by the U.S. and Michigan Constitutions. Instead, the El-Sayed Administration will work towards creating the conditions that lead to safe, healthy, and financially sound cities by pursuing the following:

1. **Repeal the emergency manager law**

The El-Sayed administration will move aggressively to repeal the state’s emergency management law, PA 436. Taking power away from communities and putting it in the hands of the state is a direct attack on the sanctity of voting rights as well as the necessary checks and balances inherent to our system of government. The El-Sayed Administration supports moving to consent decrees that only allow the reduction of executive power through a vote by the city council. Our new model will echo existing process in states like Pennsylvania and Rhode Island, where financial oversight plans are developed in coordination with local government.

In addition to consent decrees, we will explore additional reforms based on innovative practices in other states. This will include a proactive approach to local government financial crises that will establish a local government monitoring system, and involve the state in instituting long term financial planning through the joint development of multi-year financial plans to guide decision making (similar to those used in Pennsylvania to stabilize Pittsburgh’s finances).

1. **Restore revenue sharing**

Michigan’s cities receive two types of revenue sharing: constitutional and statutory. Whereas the level of constitutional revenue sharing cannot be reduced, the level of statutory revenue sharing, can be (and has been) reduced by the state government. In fact, the state has not distributed the full share of statutory revenue since 2002. Cities and counties have lost almost $6 billion over the last twelve years as a result, with Detroit alone having lost $732 million in revenue sharing between 2003 and 2013. At the same time, property taxes collected by Michigan cities declined by more than $139 million from 2008 to 2015, limiting the ability of municipalities’ ability to replace the revenues lost to reduced revenue sharing.

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81 [https://www.house.mi.gov/hfa/PDF/Briefings/Revenue_Sharing_BudgetBriefing_fy16-17.pdf](https://www.house.mi.gov/hfa/PDF/Briefings/Revenue_Sharing_BudgetBriefing_fy16-17.pdf)

82 [http://www.savemichicity.org/search/](http://www.savemichicity.org/search/)

The El-Sayed administration will increase revenue sharing for cities, villages, and towns ("CVT revenue sharing") annually, with the goal of reaching "full" revenue sharing (defined as distributing the amount of the revenue set forth by PA 532 of 1998) by 2023.\(^4\) We will work to close the loophole that allows the state to divert money from statutory revenue sharing and support initiatives, like marijuana legalization, that have a dedicated revenue sharing component and promise additional revenue for Michigan’s cities.

2. Explore options for municipal and county sales taxes

Municipalities are only allowed to collect two types of taxes in Michigan: property taxes and income taxes (in limited circumstances.) While this helps to reduce individual tax burdens, it has also severely limited the ability of cities to raise the revenue they need to not only become modern economic competitors, but to serve the needs of their citizens. The El-Sayed administration proposes launching a commission on local sales tax in order to explore options for how Michigan could establish municipal and county sales taxes. It should be noted that it is not our intention to institute city and county sales taxes; rather, we intend to lead a review of state law to identify — and hopefully remove — the barriers that prevent municipalities and localities from introducing these taxes through a vote of the people.

\(^4\) PA 532 of 1998 establishes the most recent percentage for statutory revenue sharing: 74.94% of 21.3% of sales tax revenue at the 4% rate.
Auto Insurance Reform

Urban Michiganders pay the highest auto insurance rates in the country; Michigan’s average insurance premium is 82 percent higher than the national average, and those in Detroit are about twice the cost of those in the suburbs.\(^85\) Because of high costs, many Michigan drivers are unable to afford insurance. It is estimated that one in two Detroiter (and one in five Michiganders) drives without car insurance, which in turn increases costs for those insured.\(^86\)

Everyone deserves comprehensive, complete car insurance that is not a financial burden. It is not fair to ask some of our state’s lowest-income residents to make the choice between cost and coverage. Until Michigan has universal health insurance, keeping no-fault insurance for all Michiganders is essential. But we must find a way to bring premiums down while ensuring that all drivers are covered and have access to the best medical care available. To address Michigan’s failing auto insurance system, we propose the following:

1. **Comprehensive healthcare reform**

   The major reason auto insurance costs so much in Michigan is the unlimited medical care provided after an accident. Michigan’s cost per auto accident injury tripled between 2000 and 2013 to $75,600, a cost that has outpaced healthcare inflation by 90 percent.\(^87\) If we can provide universal health coverage for every Michigander, we can decouple personal injury protection from auto insurance, driving down rates so that Michiganders will not be left without the coverage they need if they are involved in an auto injury.

2. **Eliminate abuses by hospitals and lawyers**

   One of the most egregious aspects of our current system is the abuse and exploitation that accident victims suffer at the hands of hospitals and lawyers. We must expand the protections available for victims of auto accidents. The El-Sayed Administration will work with the Legislature to pass an Auto Victim’s Privacy Protection Plan that permanently restricts access to accident reports, victim’s personal information, and direct mail solicitation. Further, we propose limiting reimbursement rates for medical services billed to auto insurance to 120 percent of Medicare rates.

3. **End zip code and other forms of profiling**

   A recent study of insurance rates in California, Illinois, Texas, and Minnesota found that insurers charged as much as 30 percent more for premiums in zip codes where most residents were minorities, compared to white neighborhoods with similar accident risks or costs.\(^88\) We must abolish profiling in auto insurance by passing legislation to end practices that systematically disadvantage lower-income residents such as profiling by credit score, zip code, or educational attainment.


\(^{88}\)https://www.propublica.org/article/minority-neighborhoods-higher-car-insurance-premiums-white-areas-same-risk
4. Require full transparency of both the Michigan Catastrophic Claims Association and insurance companies

The Michigan Catastrophic Claims Association (MCCA) holds more than $18 billion of the public’s money and does not currently operate under any public oversight. The El-Sayed Administration will work with the legislature to require the MCCA to open their rate-making data under FOIA. This information should be public knowledge and made available online so that Michigan drivers know why they are paying the rates they are paying.

Additionally, in 2011, Michigan auto insurance companies collected $2 billion more in auto premiums than they paid out in claims.89 The El-Sayed Administration will work with partners in the legislature to push legislation that would require the Michigan Department of Insurance and Financial Services (DIFS) to disclose any information regarding premium dollars collected versus payouts on claims for all insurance companies. Annual premium revenue versus pay-out information has been routinely collected and published for years for other major lines of insurance sold in Michigan, such as property, life, and title. Transparency will also help illuminate where redlining and discriminatory rate-setting is happening, as well as hold the MCCA and insurance companies accountable.

5. Stop insurance companies from passing along MCCA assessment costs onto consumers

We must also stop auto insurance companies from passing along the MCCA costs onto consumers in the form of higher premiums. Technically, the MCCA assessment should be paid by the insurance companies, but those companies simply pass them along to drivers. A 2014 study showed that MCCA assessments have been 15 percent to 26 percent “higher than necessary.”90 The El-Sayed Administration would require the MCCA to disclose an annual financial statement as well as fight for FOIA to apply to the organization, following in the footsteps of lawmakers on both sides of the aisle.

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