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TO: **Detroit City Council**

David Whitaker, Director / FROM:

Legislative Policy Division Staff

DATE: September 29, 2021

RE: **Summary of Proposal S**

The initiative identified as Ballot Proposal S on the upcoming November 2, 2021, election is a proposed amendment to the 2012 Detroit City Charter. Charter amendments are governed by the Home Rule City Act under MCL 117.21 Charter Amendment; Procedure which provides in pertinent part:

(1) An amendment to an existing city charter, whether the charter was adopted under this act or formerly granted or passed by the legislature for the government of a city, may be proposed by the legislative body of a city on a 3/5 vote of the members-elect or by an initiatory petition.

In compliance with the requirements under the Act, the proposed amendment to the Charter is being submitted by initiatory petition. Proposal S seeks to amend Section 12-101, Initiative and Referendum which currently reads as follows:

The voters of the City reserve the power to enact City ordinances, call the "initiative", and the power to nullify ordinances, enacted by the City, called the "referendum". However, these powers do not extend to the budget or any ordinance for the appropriation of money; the referendum power does not extend to any emergency ordinance.

The current Charter provision allows for the voters to enact ordinances through an initiative or the ability to nullify an ordinance through a referendum vote. However, The Charter provision prohibits the voters from utilizing the initiative or referendum powers to enact or nullify an

ordinance that would impact the budget or any ordinance for the appropriation of money. It appears the intent of the Charter provision was to allow City government, through its elected officials, (the Mayor and City Council) with the knowledge of the City finances to make decisions regarding appropriations. The provision allows citizens to voice their concerns by enacting or nullifying other policy decisions in non-financial matters.

The language submitted under Proposal S amending Section 12-101 of the Charter provides the following:

The voters of the city reserve the power to enact City ordinances, call the "initiative", and the power to nullify ordinances, enacted by the City, called the "referendum". However, these powers do not extend to the budget _and_ the referendum power does not extend to any emergency ordinance. The initiative and the referendum may be invoked by petition as provided in this chapter"

The change to the Charter provision under Proposal S retains the language "these powers do not extend to the budget" continuing the prohibition against a voter initiative to impact the budget. However, the prior language that prohibited an initiative or referendum from passing "any ordinance for the appropriation of money" has been removed. It does provide that a referendum on an emergency ordinance is prohibited.

Therefore, under Proposal S, there is still a prohibition against an initiative to pass an ordinance or referendum nullifying an ordinance regarding the budget. The new language appears to allow the citizens through initiative to pass an ordinance appropriating money or a referendum nullifying an existing ordinance appropriating money, where that power did not previously exist. This gives the voters the direct power by initiative or referendum to appropriate money by ordinance or nullify an existing ordinance appropriating money, as long as such action does not conflict with the budget prohibition.