

UNITED STATES DISTRICT COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION

Russ Bellant, Detroit Library Commissioner;
Tawanna Simpson, Lamara Lemmons, Elena
Herrada, Detroit Public Schools Board
Members; Donald Watkins, and Kermit
Williams, Pontiac City Council Members;
Duane Seats, Dennis Knowles, Juanita Henry,
and Mary Alice Adams, Benton Harbor
Commissioners; William "Scott" Kincaid,
Flint City Council President; Bishop Bernadel
Jefferson; Paul Jordan; Rev. Jim Holley,
National Board Members, Rainbow Push
Coalition; Rev. Charles E. Williams II,
Michigan Chairman, National Action
Network; Rev. Dr. Michael A. Owens, Rev.
Lawrence Glass, Rev. Dr. Deedee Coleman,
Bishop Allyson Abrams, Executive Board,
Council of Baptist Pastors of Detroit and
Vicinity,

Plaintiffs,

v

RICHARD D. SNYDER, as Governor of the
State of Michigan, and ANDREW DILLON,
as the Treasurer of the State of Michigan,
acting in their individual and/or official
capacities,

Defendants.

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No. 2:13-cv-11370

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MAGISTRATE JUDGE
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**DEFENDANTS' MOTION TO
DISMISS**

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DEFENDANTS' MOTION TO DISMISS

Defendants Richard D. Snyder, Governor of the State of Michigan, and Kevin Clinton¹, Treasurer of the State of Michigan, move to dismiss Plaintiffs' First Amended Complaint for Declaratory and Injunctive Relief for the following reasons:

¹ Andrew Dillon resigned on October 11, 2013. His replacement, Kevin Clinton, assumed office on November 1, 2013. Pursuant to Fed. R. Civ. P. 25(d), Mr. Clinton is automatically substituted as a party to this action in Mr. Dillon's place.

1. Plaintiffs lack standing to bring any of their claims.
2. 2012 Mich. Pub. Acts 436, Mich. Comp. Laws § 141.1541 *et seq.* (P.A. 436), does not violate the Due Process Clause or U.S. Const., art. IV, § 4 (Counts 1 & 2).
3. P.A. 436 does not violate the Equal Protection Clause (Counts 3, 4, 5 & 9).
4. P.A. 436 does not violate Section 2 of the Voting Rights Act (Count 6).
5. P.A. 436 does not violate First Amendment free speech and petition rights (Count 7).
6. And P.A. 436 does not violate the Thirteenth Amendment (Count 8).
7. Defendants sought concurrence from Plaintiffs' counsel but concurrence was not given.
8. Under Fed. R. Civ. P. 12(b)(6), a complaint may be dismissed if no relief could be granted under any set of facts that could be proved consistent with the allegations of the complaint. *Ludwig v. Bd of Trustees*, 123 F.3d 404, 408 (6th Cir. 1997). "To survive a motion to dismiss, a complaint must contain sufficient factual matter, accepted as true, to 'state a claim to relief that is plausible on its face.'" *Ashcroft v. Iqbal*, 556 U.S. 662, 678 (2009) (quoting *Bell Atlantic Corp. v. Twombly*, 550 U.S. 544, 570 (2007)). "Threadbare recitals of the elements of a cause of action, supported by mere conclusory statements" are not facially plausible. *Id.* at 678 (citing *Twombly*, 550 U.S. at 555). "Nor does a complaint suffice if it tenders 'naked assertion[s]' devoid of 'further factual enhancement.'" *Id.* (quoting *Twombly*, 550 U.S. at 557).
9. Fed. R. Civ. P. 12(b)(1) allows dismissal for lack of subject-matter jurisdiction. It is a plaintiff's burden to prove jurisdiction. *Moir v. Greater Cleveland Reg'l. Transit Auth.*, 895 F.2d 266, 269 (6th Cir. 1990).

Applying the standard of review set out in paragraphs 8 and 9 to each argument in the brief, and for the reasons stated in this motion, Plaintiffs' First Amended Complaint fails as a matter of law. Defendants respectfully request that

this Court dismiss Plaintiffs' First Amended Complaint in its entirety and with prejudice.

Respectfully submitted,

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Dated: March 5, 2014

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BRIEF IN SUPPORT OF DEFENDANTS’ MOTION TO DISMISS

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CONCISE STATEMENT OF ISSUES PRESENTED

1. Should the First Amended Complaint be dismissed under 12(b)(1) because Plaintiffs lack standing?
2. Should the First Amended Complaint be dismissed under Fed. R. Civ. P. 12(b)(6) because Plaintiffs have failed to state a claim for which relief may be granted under any asserted cause of action?

CONTROLLING OR MOST APPROPRIATE AUTHORITY

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INTRODUCTION

The concept of an emergency manager is not new to Michigan. Indeed, Governors from both major political parties have used such managers to solve local economic difficulties for over 20 years. But in an economic environment where a disturbingly high number of local governments and school districts are teetering on the brink of financial catastrophe, more flexibility and new tools were required. The Michigan Legislature responded with 2012 Public Act 436 (P.A. 436), which replaces Michigan's previous emergency financial manager law, Public Act 72, that was reinstated after 2011 Public Act 4 was rejected by referendum.

Having lost the political battle to stop P.A. 436 on the steps of the Lansing Capitol, Plaintiffs filed this lawsuit, an action that contains no cognizable legal claims or alternative solutions to the financial problems that have plagued many communities. Because Plaintiffs' proper remedy is the political process, not the courts, the First Amended Complaint should be dismissed in its entirety.

STATEMENT OF FACTS

Nature of the Case

Plaintiffs bring this action under 42 U.S.C. § 1983, alleging that P.A. 436 violates Fourteenth Amendment guarantees (due process and equal protection); the U.S. Const., art. IV, § 4 (Republican Form of Government); the Voting Rights Act, 42 U.S.C. § 1973, *et seq.*; the First Amendment (freedom of speech and the right to

petition government); and the Thirteenth Amendment (vestiges of slavery) (R. 39, Amend. Compl. (FAC), ID## 512, 513.) Although Plaintiffs allege both facial and as-applied challenges, they identify no specific applications of P.A. 436 demonstrating a violation under any alleged constitutional or statutory theory. (*Id.* at ¶¶ 97, 103, 113-114, 126-127, 142-143, 157-158, 169-170, 182-184, 193-194, 207, ID## 529-532, 534-535, 537-538, 540-541, 543-544, 546-548, 550.) Thus, this is only a facial challenge to the constitutionality of the Act. And Plaintiffs' allegations focus exclusively on the Act's emergency-manager component.

Michigan's Emergency Financial Manager Acts

The Legislature enacted P.A. 436 in December 2012, effective March 28, 2013. P.A. 436 followed the period of time from August 6, 2012 to March 28, 2013, when the State and its political subdivisions operated under 1990 Mich. Pub. Acts 72 (P.A. 72), Mich. Comp. Laws § 141.1201, *et seq.* which, for purposes of this brief, will be referred to as the original act allowing the appointment of emergency managers. P.A. 72 was the operative statute because of the referendum and rejection of the amended fiscal responsibility legislation, 2011 Mich. Pub. Acts 4 (P.A. 4).² Under P.A. 72³, emergency financial managers (EFMs) had fewer powers than emergency managers (EMs) previously possessed under P.A. 4, and

² See OAG, 2011-2012, No 7267, p 6 (August 6, 2012), available at <http://www.ag.state.mi.us/opinion/datafiles/2010s/op10346.htm>.

³ P.A. Act 72 authorized the appointment of an EFM. P.A. 436, like the prior P.A. 4, authorizes the appointment of an EM.

now under P.A. 436. But, P.A. 72 removed all financial duties and responsibilities of the elected local government officials, including developing budgets, all contracting, approving and disapproving appropriations, the sale of assets, bonds and all matters related to the government unit's finance, reposing them in the EFM. Mich. Comp. Laws §§ 141.1220 and 1221. This also included the authority to enact related ordinances. *Id.*

In December 2012, the Legislature passed P.A. 436 to address the scope of problems presented by the growing fiscal instability among the State's local governments—problems that P.A. 72 was not effectively resolving. The Legislature reasonably determined that local fiscal stability is necessary for the State's health, welfare, and safety, and thus, P.A. 436 was necessary to protect those interests as well as the credit ratings of the State and its political subdivisions. Mich. Comp. Laws § 141.1543.

Key Features of P.A. 436

Public Act 436 authorizes the EM to act in the place and stead of the local government officials. Mich. Comp. Laws § 141.1549(2). Unlike earlier laws, P.A. 436 includes three key differences: expanded local government options—chosen by the local government—to address the financial emergency; the authority to remove the EM after serving 18 months; and the authority to petition for removal if an EM that has served less than 18 months. Mich. Comp. Laws §§ 141.1547,

1549(6)(c), 1549(11). The statute also builds in checks on an EM's authority by both the State and local elected officials. Mich. Comp. Laws §§ 141.1552 (1)(k), (r) & (u) (collective bargaining agreements, selling certain assets and borrowing money), 1552(4) (selling or transferring public utilities), 1555(1) (selling of assets of certain value), 1559(1) (proposed contracts, sales, and leases).

Significantly, P.A. 436 does not suspend or alter local elections or voter registration. (Ex. 1) Nor does P.A. 436 redraw local government election boundaries or substitute local election officials.

Since this lawsuit was originally filed, four other local governments have undergone a preliminary review. A finding of no probable financial stress was reached with respect to the Hazel Park School District on August 12, 2013 and the East Detroit School District on September 23, 2013. The City of Hamtramck was determined to be in a financial emergency, and an Emergency Manager was appointed at the City's request. (Ex. 2) (R. 39, FAC ¶ 80, ##525-526.) A finding of probable financial stress was made with respect to the City of Lincoln Park on December 12, 2013. (Ex. 3.) The process to determine the existence of a financial emergency is on-going.

Also, two governments previously under emergency management, Ecorse and Pontiac, are now in transition. (Ex. 4; Ex. 5) A Transition Advisory Board (TAB) was appointed for the City of Ecorse on April 30, 2013 and for the City of

Pontiac on August 19, 2013. (*Id.* Governor's Letters.) Authority is returned to the elected officials for the City of Ecorse and the City Administrator and elected officials for the City of Pontiac with limited exceptions. (Ex. 4, EM Order No. 94, dated 4/30/13; Ex. 5, EM Order No. S-334 dated 8/19/13.) Each TAB's duties and responsibilities are described in the respective Rules of Procedure of the Receivership Transition Advisory Board, Article II, Section 2.1., for the City of Ecorse (Ex. 4) and the City of Pontiac (Ex. 5). These are restricted to consulting, reviewing and approving certain financial and budget transactions.

ARGUMENT

I. **Plaintiffs lack standing to bring any of their counts.**

This Court should dismiss all counts of Plaintiffs' First Amended Complaint for lack of standing. To invoke the subject matter jurisdiction of an Article III federal court, individual plaintiffs must establish, among other things, an injury-in-fact that is concrete and particularized, not conjectural or hypothetical. *Lujan v. Defenders of Wildlife*, 504 U.S. 555, 560-61 (1992). Because declaratory relief is sought, these Plaintiffs also have the heightened burden of showing a substantial likelihood they will be injured in the future. *City of Los Angeles v. Lyons*, 461 U.S. 95, 105 (1983). None of these requirements are met here.

A. Individual, Non-Elected Plaintiffs Bellant, Jefferson, Jordan, Holley, Williams, Owens, Glass, Coleman, and Abrams lack standing to bring any claims.

This group of Plaintiffs is comprised of residents of localities with EMs appointed under P.A. 436. (R. 39, AC, ¶¶ 7-25, ID## 513-515). Yet, they do not allege that Defendants' actions have injured them in a manner distinguishable from the harm incurred by any resident of any locality with an emergency manager.

Rather, these Plaintiffs raise only general grievances regarding Defendants' policy choices related to fiscally distressed local governments. Their claims are strikingly similar to those considered and rejected by the Supreme Court, the Sixth Circuit, and this Court for lack of standing. *See, e.g., City of Los Angeles*, 461 U.S. at 111 (resident challenging police department's chokehold policy was "no more entitled to an injunction than any other citizen"); *Miyazawa v. City of Cincinnati*, 45 F.3d 126, 126-28 (6th Cir. 1995) (resident challenging city charter amendment suffers "no harm, nor will she suffer any greater harm than that of any other voter in the City of Cincinnati"); *Anthony v. State of Michigan*, 35 F. Supp. 2d 989, 1003 (E.D. Mich. 1999) (Detroit citizens challenging the consolidation of the Detroit Recorder's Court did not "articulate how they [were] *particularly* harmed as a result of the merger"); and *Moore v. Detroit Bd. of Educ.*, 293 F.3d 352 (6th Cir. 2000), cert. denied 533 U.S. 1226 (2003) (citing *Sailors v. Kent Bd. of Educ.*, 387

U.S. 105, 108 (1967) (“citizens do not have a fundamental right to elect nonlegislative, administrative officers such as school board members.”))

B. Individual, Elected Plaintiffs Simpson, Lemmons, Herrada, Watkins, Williams, Seats, Knowles, Henry, Adams, and Kincaid lack standing.

This group of Plaintiffs brings these claims in their individual capacities, not on behalf of their official positions or government units. (R. 39, FAC, ¶¶ 8-17, ID ## 513-514.) They too lack standing in the same manner as the Plaintiffs discussed in Section A. They have met neither the irreducible constitutional requirement of a concrete and particularized injury as individuals nor the applicable, heightened standard requiring a substantial likelihood that they will be the unique target of future harm. See *Lujan*, 504 U.S. at 560-61; *City of Los Angeles*, 461 U.S. at 105. Their identification as public officials for units of local government who are subject to P.A. 436 gives them no special status and certainly no greater claim to standing than any of the other named Plaintiffs in Section A. To the extent they may purport to bring this action in their official capacities as members of various local boards, commissions or councils, there is no indication in the First Amended Complaint that these local governmental bodies have authorized any of them to act for or on their behalf.

II. P.A. 436 does not violate the Due Process Clause or U.S. Const. art. IV, § 4 (Counts 1 and 2).

A. P.A. 436 does not violate any substantive due-process right to elect officials who possess general legislative power.

The “right to vote” is not expressly enumerated in the federal constitution. *San Antonio Indep. Sch. Dist. v. Rodriguez*, 411 U.S. 1, 35, n. 78 (1973). Rather, the right to vote is an implicit “fundamental political right” that is “preservative of all rights.” *Reynolds v. Sims*, 377 U.S. 533, 562 (1964). Yet, the Supreme Court has repeatedly recognized that the Fourteenth Amendment does not protect this generalized “right to vote” but instead protects a citizen’s right to participate in elections on equal footing with other citizens in the jurisdiction. *Rodriguez v. Popular Democratic Party*, 457 U.S. 1, 9-10 (1982); *San Antonio*, 411 U.S. at 35. This right to equal participation is protected by the Equal Protection Clause. *Rodriguez*, 457 U.S. at 9-10.

In this context, it is perhaps easiest to understand Plaintiffs’ substantive due-process claim by first determining what it is *not* about. (R. 30, AC, ¶¶ 102, 103, ID## 529, 530.) Plaintiffs do not claim a denial or impairment of their right to vote for elected officials. Indeed, P.A. 436 does not suspend local elections, does not alter the local election process, and does not alter voter registration requirements in any way. Nor do Plaintiffs claim their vote is not being counted. Indeed, the facts demonstrate otherwise. (Ex. 1.) Rather, their claim is premised

on an undefined, unrecognized substantive due process right to have the elected official carry out the duties of office—here, legislative powers. No federal court has ever recognized such a right. *Rodriquez*, 457 U.S. at 9-10. This is consistent with the recognition that local governments are not sovereign entities but instead derive their authority from the State. *Sailors v. Bd. of Ed., Kent County*, 387 U.S. 105, 107-108 (1967) (quoting *Hunter v. City of Pittsburgh*, 207 U.S. 161, 178 (1907)); *Mack v. Detroit*, 649 N.W.2d 47, 52 (Mich. 2002); Mich. Comp. Laws § 117.1, *et. seq.* The State may enact laws of general concern that limit the authority and power of local governments and their elected officials consistent with the state constitution and other law. *Moore*, 293 F.3d at 358-363; *Mack, Id.*; *American Axle & Manuf., Inc., v. City of Hamtramck*, 604 N.W.2d 330, 342 (Mich. 2000); Mich. Comp. Laws § 117.1, *et. seq.*

P.A. 436 is a law of general concern—the fiscal integrity of the State’s local governments and the health, safety and welfare of its citizens. It is a proper exercise of the State’s authority and the resultant limitations on local government authority do not violate substantive due process. Because the State can properly alter the duties and authority of its local governments and their officials, voters can have no substantively protected right in the performance of those duties and authority that have been altered, whether temporarily or permanently.

Dismissal of this claim is consistent with Supreme Court precedent that both expresses a reluctance to expand the concept of substantive due process, *Washington v. Glucksberg*, 521 U.S. 702, 720 (1997), and has determined that where a more explicit textual context than the generalized Due Process Clause exists within the federal constitution, it must guide the constitutional analysis. *Graham v. Connor*, 490 U.S. 386, 394-395 (1989). The Supreme Court has determined that the appropriate context for this claim is the Equal Protection Clause as applied to the right of equal participation in the voting process.

B. P.A. 436 does not violate U.S. Const., art. IV, § 4.

The United States Constitution guarantees “every *State* in this Union a Republican form of government.” U.S. Const., art. IV, § 4. (Emphasis added.) Generally, this guarantee does not extend to local units of government. Political subdivisions of a State have never “been considered as sovereign entities.” Rather, they are “traditionally regarded as subordinate governmental instrumentalities created by the State to assist in the carrying out of state governmental functions.” *Sailors*, 387 U.S. at 107-108. Any recognition of a constitutional guarantee of a specific form of local government ignores the nature of this traditional relationship and the limits of art. IV, §4. While the Supreme Court has clarified that a state cannot manipulate its political subdivisions to defeat a federally protected right, the consistent theme of these court decisions is

not the form of local government but rather the protection of the “right to vote” against “dilution or debasement.” *Id.* at 108; *Rodriguez*, 457 U.S. at 9, 10; *Hadley v. Jr. College Dist. of Metro. Kansas City, Mo.*, 397 U.S. 50, 54-55 (1970). Significantly, federal courts do not meddle in how States structure their local political subunits. Such political questions and a State’s authority to define and regulate its relationship with subordinate political units are generally not justiciable. *Baker v. Carr*, 369 U.S. 186, 208-226 (1962).

In the absence of any infringement on Plaintiffs’ equal participation in the voting process, Michigan’s choice to address the significant issues arising from a local government’s financial distress and their temporary impact on the structure of that government does not violate any protected federal right within this Court’s purview. This claim fails as a matter of law.

III. P.A. 436 does not violate the Equal Protection Clause (Counts 3, 4, 5 and 9).

Counts 3, 4, 5, and 9 assert that P.A. 436 violates the Equal Protection Clause of the Fourteenth Amendment to the U.S. Constitution. These claims lack merit.

A. P.A. 436 does not unconstitutionally burden Plaintiffs’ fundamental right to vote.

The Equal Protection Clause states that no State shall “deny to any person within its jurisdiction the equal protection of the laws.” U.S. Const. amend. XIV,

§ 1. This clause prevents states from making distinctions that (1) burden a fundamental right; (2) target a suspect class; or (3) intentionally treat one individual differently from others similarly situated without any rational basis. *Radvansky v. City of Olmsted Falls*, 395 F.3d 291, 312 (6th Cir. 2005).

Plaintiffs assert that P.A. 436 violates their fundamental right to vote protected by the Equal Protection Clause in two ways. First, they argue the Act “effectively revoke[s] the right to vote by stripping governing authority from local elected officials and transferring such authority to one unelected emergency manager with no accountability to local citizens.” (R. 39, FAC, ¶ 123, ID# 533.) Second, they argue the Act “impermissibly dilutes citizen’s right to vote in local elections where emergency managers have been appointed” because the emergency managers become vested with all governing authority, leaving local elected officials with only conditional powers and “the entire state electorate participates in the selection of the local government in the affected municipalities and school districts, while in all other localities across the state, local residents alone directly vote for their elected officials.” *Id.* at 125, ID# 534.

1. Plaintiffs are not similarly situated to people residing in communities that do not have an emergency manager.

As a threshold matter, Plaintiffs must demonstrate they are similarly situated to the persons allegedly receiving more favorable treatment “in all material respects.” *Ctr. for Bio-Ethical Reform, Inc. v. Napolitano*, 648 F.3d 365, 379 (6th

Cir. 2011) (quotation marks omitted); *TriHealth, Inc. v. Bd. of Com'rs, Hamilton County, Ohio*, 430 F.3d 783, 790-791 (6th Cir. 2005). “[D]isparate treatment of persons is reasonably justified if they are dissimilar in some material respect.” *Id.* In determining whether individuals are “similarly situated,” a court should “not demand exact correlation, but should instead seek relevant similarity.” *Perry v. McGinnis*, 209 F.3d 597, 601 (6th Cir. 2000) (citation omitted).

Here, Plaintiffs, who are residents of local units of government under the administration of an emergency manager (Detroit, Detroit Public School District, Benton Harbor, Pontiac, and Flint), allege they are being disparately treated as compared to residents of local units of government with no emergency manager. That is not true. Each of these named local units, whether under P.A. 72 or P.A. 4, or P.A. 436, underwent a rigorous review of their financial condition, as assessed against set criteria, and were determined to be in a financial emergency by the Governor or other executive official. See, e.g., Mich. Comp. Laws §§ 141.1544 and 1545. The serious financial problems facing these local units of government cannot be overstated and are laid bare within each letter confirming the financial emergencies. Significantly, Plaintiffs do not challenge this existence of a financial emergency in each of the exemplar local units of government.

Plaintiffs are not similarly situated to residents of local units of government that have not been declared to be in a financial emergency. The significantly poor

financial condition of their local unit of government is the very reason an emergency manager was appointed. Thus, comparisons to residents of local units of governments in better financial condition do not advance Plaintiffs' claims. Nor do Plaintiffs identify any specific local units of government whose financial conditions are the same as or are sufficiently similar to Plaintiffs' communities that were not placed under the administration of an emergency manager after financial review. As a result, Plaintiffs have failed to make the threshold "similarly situated" showing and their equal-protection claims necessarily fail. *TriHealth, Inc*, 430 F.3d at 790.

2. Plaintiffs have not been denied their fundamental right to vote.

The right to vote is a "fundamental" political right. *Harper v. Va. State Bd. of Elections*, 383 U.S. 663, 670 (1966). And the Equal Protection Clause applies when a state either classifies voters in disparate ways, or places restrictions on the right to vote. *League of Women Voters v. Brunner*, 548 F.3d 463, 477–78 (6th Cir. 2008) (citing *Bush v. Gore*, 531 U.S. 98, 104 (2000)). The specific character of the state's action and the nature of the burden on voters will determine the applicable equal-protection standard. See *Biener v. Calio*, 361 F.3d 206, 214 (3d Cir. 2004) ("The scrutiny test depends on the [regulation's] effect on [the plaintiff's] rights.").

If a plaintiff asserts only that a state treated the plaintiff differently than similarly situated voters, without a reciprocal burden on the fundamental right to

vote, the rational basis standard of review should apply. *McDonald v. Bd. of Election Comm'rs*, 394 U.S. 802, 807-09 (1969) (applying rational basis to a state statute prohibiting plaintiffs' access to absentee ballots where no right-to-vote burden was shown); *Biener*, 361 F.3d at 214-15 (applying rational basis absent a showing of an "infringement on the fundamental right to vote"). But when a State's classification "severely" burdens the right to vote, strict scrutiny is appropriate. *Burdick v. Takushi*, 504 U.S. 428, 434 (1992). Where the burden is somewhere in the middle, courts apply the "flexible standard" outlined in *Anderson v. Celebrezze*, 460 U.S. 780 (1983), and *Burdick*. See *Hunter v. Hamilton Cty. Bd. of Elections*, 635 F.3d 219, 238 (6th Cir. 2011) (applying the balancing test in an equal-protection challenge to the counting of provisional ballots).

Here, there is no suspect class and P.A. 436 does not burden Plaintiffs' right to vote. Residents in local units of government under an emergency manager's administration retain all of their rights to exercise the franchise and vote for the candidates of their choice, including candidates for local government, and to have those votes counted. (Ex.1) While P.A. 436 may temporarily prohibit a local unit's chief executive officer and governing body from exercising the powers of those offices during the receivership, Mich. Comp. Laws § 141.1549 (2), it does not preclude residents from voting candidates into these offices, or the candidates

from continuing to hold those offices during the receivership. Further, the fact the EM is appointed to act, rather than elected, is of no relevance to this issue. *Moore*, 293 F.3d at 365.

Plaintiffs' First Amended Complaint really is that the officials they have already elected into office are prohibited (at least temporarily) from exercising some or all of the powers and duties they were elected to do—in other words, that their officials can no longer be effective in office. But this is not a recognized violation of the right to vote.

3. Plaintiffs' fundamental right to vote has not been diluted.

Plaintiffs claim the appointment of an emergency manager in and of itself dilutes Plaintiffs' right to vote, and/or alternatively, that the appointment of an emergency manager for a particular local unit of government by the Governor, who is elected by voters statewide, dilutes the right to vote of the local residents: "The vote of citizens for their local government in affected localities is grossly diluted by the statewide participation of the electorate." (R. 39, FAC., ¶ 1250, ID# 534.) These allegations are equally without merit.

"[T]he right of suffrage can be denied by a debasement or dilution of the weight of a citizen's vote just as effectively as by wholly prohibiting the free exercise of the franchise." *Reynolds*, 377 U.S. at 555. A vote-dilution claim invokes the principle of "one person, one vote," a requirement under the

Fourteenth Amendment. See 16B CJS, Constitutional Law, § 1264 (explaining that each person's vote must count the same as any other persons); *see also Carlson v. Wiggins*, 675 F.3d 1134, 1139 (8th Cir. 2012).

P.A. 436 does not violate this requirement. First, Plaintiffs' voting-rights challenge as to Detroit, Highland Park, and Muskegon public schools (R. 39, FAC, ¶ 66, ID# 524) fails because these are non-legislative units of government and there is no fundamental right to vote for public school officials. See *Moore*, 293 F.3d at 365 (citing *Sailors*, 387 U.S. at 108) (“[C]itizens do not have a fundamental right to elect nonlegislative, administrative officers, such as school board members.”) Second, the voting rights challenge fails as to all Plaintiffs because, as explained above, residents in local units of government under the administration of an emergency manager retain the same rights to vote for and elect candidates of their choosing, and their votes count the same as residents in other local units of government voting for their local officials.

Again, Plaintiffs' real complaint is that their elected candidates will, on a temporary basis, no longer be effective or as effective in their offices. But this “injury,” if it exists, does not stem from any recognized violation of the fundamental right to vote or the “one person, one vote” principle.

B. P.A. 436 does not discriminate based on race.

In Count 4, Plaintiffs vaguely assert that P.A. 436 discriminates based on race. They observe that the Equal Protection Clause “protects [sic] laws and the application of laws that invidiously discriminate between similarly situated individuals or between groups of persons in the exercise of fundamental rights.” (R. 39, FAC, ¶ 136, ID# 536.) They then assert that voting in local elections is a fundamental right and that P.A. 436’s provisions “effectively revoke the right to vote.” (*Id.*, ¶ 138, ID# 536.) In paragraphs 142 and 143, Plaintiffs allege that P.A. 436 “discriminate[s] in the appointment of an EM and revocation of the community’s right to vote for local officials based on the racial composition of that community” and that Defendants have caused injury by exercising authority under the Act in “various municipalities comprising more than 53% of the State’s [African American] population.” (*Id.* at ID ## 537, 538.)

Initially, as noted above, Plaintiffs have failed to allege or show that they have been disparately treated compared to citizens of a different race in communities that are similarly situated financially to Plaintiffs’ communities. *TriHealth, Inc.*, 430 F.3d at 790. Thus, this race-based equal-protection claim fails.

In addition, P.A. 436 does not embody a racial classification. Neither does it say or imply that voters are to be treated differently on account of their race. The

purpose of the Act—resolving financial emergencies within local units of government—encompasses any local unit of government in financial distress, regardless of the racial makeup of its population. As a result, P.A. 436 is facially neutral.

“Where facially neutral legislation is challenged on the grounds that it discriminates on the basis of race, the enactment will be [analyzed under] strict scrutiny only if the plaintiff can prove that it ‘was motivated by a racial purpose or object,’ or ‘is unexplainable on grounds other than race.’” *Moore*, 293 F.3d at 369 (internal quotation marks and citations omitted). So “[p]roving that a law has a racially disparate impact, without more, is [] insufficient to establish a violation of either the Fourteenth or the Fifteenth Amendment.” *Id.* at 369 (citing *Village of Arlington Heights v. Metro. Housing Dev. Corp.*, 429 U.S. 252, 264–65 (1977) (rejecting disproportionate impact as constitutionally infirm)).

The Supreme Court has identified five factors relevant to determining whether facially neutral state action was motivated by a racially discriminatory purpose: (1) the impact on particular racial groups, (2) the historical background of the challenged decision, especially if it reveals numerous actions being taken for discriminatory purposes, (3) the sequence of events that preceded the action, (4) procedural or substantive departures from the government’s normal procedural process, and (5) the legislative or administrative history. *Village of Arlington*

Heights, 429 U.S. at 266–68; see also *Moore*, 293 F.3d at 369–370 (addressing these factors in a challenge against Michigan School Reform Act and finding no equal protection violation). To the extent Plaintiffs even plead these factors, none of their allegations reveal a racially discriminatory purpose on the part of the Michigan Legislature or the Governor in enacting and signing P.A. 436. As a result, Plaintiffs fail to state a claim under a racial discrimination theory.

C. P.A. 436 does not discriminate based on wealth.

In Count 5, Plaintiffs allege that P.A. 436 violates equal-protection principles by discriminating based on wealth. They assert that “[u]nder Public Act 436, all stated criteria for appointing an EM are based on a community’s wealth and by extension, the wealth of the persons who reside within a community.” (R. 39, FAC, ¶ 156, ID# 540.) They further allege that P.A. 436 has been implemented “in various municipalities with disproportionately high poverty rates.” (*Id.*, ¶ 158, ID# 540.) Plaintiffs thus conclude that P.A. 436 violates equal protection “through provisions of the statute that unduly revoke citizen’s right to vote for local officials based on the wealth of their community and themselves” (*Id.*, ¶ 159, ID# 541.)

Once again, these claims fail because Plaintiffs do not allege or show they have been disparately treated compared to communities or residents that are similarly situated with respect to wealth (or poverty). *TriHealth, Inc.*, 430 F.3d at

790. And P.A. 436 does not discriminate against local units of government, let alone their residents, based on wealth (or poverty). It is the overall financial condition and prognosis of a local unit of government that will subject it to review and the possible appointment of an emergency manager under P.A. 436—not its or its residents’ wealth or lack thereof. Mich. Comp. Laws §§ 1544(1), 1545((1), 1546(1) and 1547(1). For example, a “wealthy” community whose financial books are in order would not be subject to review under P.A. 436, but neither would a “poor” community whose books are also in good order. P.A. 436 is directed at rectifying financial mismanagement, which can occur in local units of government of any size and any degree of community wealth.

In any event, P.A. 436 does not unconstitutionally burden the right to vote. Thus, no fundamental right is at issue. Moreover, wealth-based classifications do not discriminate against a suspect class. *Jonson v. Bredesen*, 624 F.3d 742, 746 (6th Cir. 2010) (citing *Papasan v. Allain*, 478 U.S. 265, 283-84 (1986)). So P.A. 436 is subject to rational basis review, if any review applies at all. *Bredesen*, 624 F.3d at 746. To survive rational basis scrutiny, P.A. 436 need only be “rationally related to legitimate government interests[,]” *Doe v. Mich. Dep’t of State Police*, 490 F.3d 491, 501 (6th Cir. 2007) (internal quotation marks and citation omitted), and “must be upheld against equal protection challenge if there is any reasonably conceivable state of facts that could provide a rational basis for the classification.”

FCC v. Beach Comm'ns, Inc., 508 U.S. 307, 313 (1993). “When social or economic legislation is at issue, the Equal Protection Clause allows the States wide latitude, and the Constitution presumes that even improvident decisions will eventually be rectified by the democratic processes.” *City of Cleburne v. Cleburne Living Center, Inc.*, 473 U.S. 432, 440 (1985) (internal citation omitted); *Sailors* 387 U.S. at 109 (“Save and unless the state, county, or municipal government runs afoul of a federally protected right, it has vast leeway in the management of its internal affairs.”) Michigan has a legitimate government interest in preventing or rectifying the insolvency of its political subdivisions. The insolvency of a local unit of government threatens the health, safety, and welfare of its residents. Mich. Comp. Laws §141.1543. It also threatens the interests of the citizens of this State as a whole because it is detrimental to the State’s overall economic condition and credit rating. *Id.* P.A. 436 thus survives rational basis review.

D. P.A. 436 does not discriminate against local units of government with emergency managers appointed under P.A. 72 or P.A. 4.

In Count 9, Plaintiffs assert that P.A. 436 “discriminates against cities and school districts where EFMs and EM[s] have been and are currently in place,” because those communities will not benefit from a provision in P.A. 436 that permits local units of government to vote to remove emergency managers after 18 months. (R. 39, FAC , ¶¶ 206-207, ID## 550.) “The law discriminates against these municipalities requiring them to suffer an additional 18 months with an EM

despite their having had such officials in place much longer than this time period.”⁴
(*Id.*, ¶ 206, ID# 550.)

The provision Plaintiffs refer to is (6)(c), which allows the emergency manager, by resolution, to be removed by a 2/3 vote of the governing body of the local government, and if the local unit has a strong mayor, with strong mayoral approval. Neither P.A. 72 nor P.A. 4 had such a provision. But P.A. 436, Mich. Comp. Laws §141.1549(10), provides that appointed emergency managers “shall be considered an emergency manager under this act [P.A. 436] and shall continue under this act to fulfill his or her powers and duties.” Thus, beginning March 29, 2013, all local units of government currently under the administration of an emergency manager are eligible to use this provision at the expiration of 18 months. Plaintiffs’ argument also ignores § 9(11), Mich. Comp. Laws §141.1549(11), which give the local government authority to petition the Governor to remove an emergency manager who has served less than 18 months under this Act.

Plaintiffs argue that because their affected local units of government have already been under the administration of an EFM, EM or both for longer than 18

⁴ This argument does not apply to Hamtramck because the EM there was appointed “since March 28, 2013,” when P.A. 436 took effect. (R. 39, FAC ¶ 80, ID ## 525-526.) Nor does it apply to the Cities of Ecorse or Pontiac which, though they remain in receivership, are in transition with authority returned to the elected and appointed officials.

months, it is discriminatory to make these communities wait the additional 18 months to take advantage of Section 9(6)(c). But again, as stated above, to prove an equal-protection claim Plaintiffs must demonstrate that they are being treated disparately as compared to similarly situated persons. *Ctr. for Bio-Ethical Reform, Inc.*, 648 F.3d at 379. Plaintiffs have not alleged or shown that they are similarly situated to persons in local units of government with emergency managers newly appointed under the P.A. 436 process. Moreover, there is no fundamental right involved, and Plaintiffs do not allege discrimination against a suspect class. Again, the rational-basis standard applies to any review of this particular provision of P.A. 436. *Bredesen*, 624 F.3d at 746.

Here, the rational-basis standard is met. The Legislature had a legitimate government interest in both setting a potential 18-month endpoint to a local unit of government's administration by an emergency manager and in not making this option immediately available to communities who have had emergency managers longer than 18 months. This is because neither P.A. 72 nor P.A. 4 had a similar time limit, and the financial plans put in place by these pre-existing emergency managers were not likely designed to resolve a financial crisis within 18 months. Thus, subjecting existing local units of government to the additional 18 months allows their emergency managers to modify or amend their plans under P.A. 436's authority and in light of the new time limitation. Moreover, P.A. 436 expressly

provides these local units of government with the interim alternative of petitioning the Governor to remove an emergency manager who has served *less* than 18 months under P.A. 436. Mich. Comp. Laws §141.1549 (11). Public Act 436 survives rational basis review and Plaintiffs have failed to state a claim for relief.

IV. P.A. 436 does not violate the Voting Rights Act (Count 6).

Count 6, an alleged violation of Section 2 of the Voting Rights Act, 42 U.S.C. § 1973, also fails to state a claim upon which relief may be granted. Plaintiffs' voting rights claim, like their equal protection claim, is based upon a faulty premise. They presume improperly that because an EM is appointed by state officials, their voting rights have been violated. (R. 39, FAC, ¶¶ 167,168, 170, ID## 543, 544).

To state a threshold claim for violation of Section 2, their claim must involve an elective and not an appointive office. See *Mixon v. Ohio*, 193 F.3d 389, 407-408 (6th Cir. 1999)(Ohio Statute that changed the process for selecting school board members from elective to appointive system did not trigger Section 2 of the Voting Rights Act). This is because Section 2 applies to “representatives”, who have been defined as “winners of representative, popular elections” or “someone who has prevailed in a popular election.” *Chisom v. Roemer*, 501 U.S. 380, 399 (1991). Thus, Plaintiffs' Section 2 claim must fail.

If this Court concludes that Section 2 is triggered through the EM appointive process, a minority group must demonstrate what are commonly referred to as the “*Gingles* factors”: (1) “that it is sufficiently large and geographically compact to constitute a majority in a single-member district;” (compactness); (2) “that it is politically cohesive” (cohesiveness); and (3) that “the white majority votes sufficiently as a bloc to enable it – in the absence of special circumstances, such as the minority candidate running unopposed – usually to defeat the minority’s preferred candidate” (white-bloc voting). *Mallory v. Ohio*, 173 F.3d 377, 381-382 (6th Cir. 1999) (internal citations omitted).

First, Plaintiffs’ claims should be dismissed because they do not allege that they constitute a “minority group” capable of bringing a Section 2 claim. *Id.* Second, Plaintiffs’ vote-dilution claim—predicated on the purported “statewide participation of the electorate” in their local governance—does not implicate any of the *Gingles* factors. (R. 39, FAC, ¶ 168, ID# 543.) As set forth above, citizens do not have a fundamental right to vote for nonlegislative public school officials such as School Board members, *Moore*, 293 F.3d at 365, and in any event, residents in local units of government under the administration of an emergency manager retain the same rights to vote for and elect candidates of their choosing for local office and their votes count the same as residents in other local units of government voting for their local officials. Moreover, Plaintiffs’ First Amended

Complaint is devoid of *any* allegations related to compactness, cohesiveness, or white-bloc voting. Instead, it focuses exclusively on their disagreement with Defendants' policy choice in enacting P.A. 436. Yet, the Sixth Circuit has specifically recognized that regardless of the electoral mechanism alleged to cause vote dilution, the *Gingles* factors *must* be satisfied. *Mallory*, 173 F.3d at 386.

Although Plaintiffs have failed to assert a valid voting rights claim, they are seeking nonetheless to impose pre-clearance as a remedy. Notably, their First Amended Complaint fails to describe in any detail the nature and scope of the pre-clearance relief they are seeking. Furthermore, no Court has found that any violation of the Fourteenth or Fifteenth Amendments have occurred, which is a prerequisite before such a drastic remedy can be imposed. (42 U.S.C. § 1973a. “If in any proceeding ... the court finds that violations of the fourteenth or fifteenth amendment justifying equitable relief have occurred ...” equitable relief may be awarded in the form of pre-clearance.) Accordingly, this Court should dismiss Count 6.

V. P.A. 436 does not violate the First Amendment rights of free speech and petition (Count 7).

The bases for Plaintiffs' speech and petition claim rest on allegations that P.A. 436 strips the local officials of all authority, mirrors P.A. 4, which was rejected by voter referendum, and improperly vests in P.A. 436 powers in

emergency financial managers previously appointed under P.A. 72. (R. 39, FAC at ¶¶ 180-183, ID# 545, 546.)⁵

These claims fail for two reasons. First, P.A. 436 neither abridges Plaintiffs' speech nor prohibits them from petitioning their government for the redress of grievances. They can still vote and continue to voice their concerns to their elected officials, local and state, and to the appointed EM. Second, even if this Court were to determine that an emergency manager abridges these First Amendment rights, the Act is still constitutional because the abridgement is content-neutral and justified by the financial exigencies of the local governments to which it is applicable.

A. P.A. 436 does not abridge speech or prohibit Plaintiffs from petitioning the Government.

The First Amendment provides in part that “Congress shall make no law . . . abridging the freedom of speech . . . or the right of the people . . . to petition the Government for a redress of grievances.” U.S. Const., amend. I. Freedom of speech, though a fundamental right, is not absolute. *Konigsberg v. State Bar of California*, 366 U.S. 36, 49 (1961). The right to petition and the right to free

⁵ Plaintiffs frame their First Amendment claim in part based on “speech on matters of public concern.” But the “public concern” balancing test set out by the United States Supreme Court in *Pickering v. Board of Education*, 391 U.S. 563 (1968), is applicable where a public employee is being disciplined, or subjected to an adverse employment decision, for his or her speech or associations and does not apply here. See *Piscottano v. Town of Somers*, 396 F. Supp. 2d 187, 200 (D. Conn., 2005) (citation omitted).

speech are separate guarantees, yet they are related and generally subject to the same constitutional analysis. *Thaddeus-X v. Blatter*, 175 F.3d 378, 390 (6th Cir. 1999).

A threshold issue in any First Amendment analysis is whether there has been an abridgement of First Amendment rights. Here, Plaintiffs' speech and petition claims fail for four reasons.

1. P.A. 436 gives local officials both voice and choice.

An emergency manager is not simply thrust on local elected officials. Even before a preliminary review is conducted, the local governmental unit is notified and has an opportunity to provide comments to the state financial authority. Mich. Comp. Laws § 141.1544(2). Once a finding of "probable financial stress" is made and the local unit is under full review, it then has an opportunity to provide information concerning its financial condition. *Id.* at § 1545(2). If the full review results in a finding that a financial emergency exists, the local unit may appeal this determination. *Id.* at §1546(3). Once the financial emergency is confirmed, the local government has options, including a consent agreement, an emergency manager, a neutral evaluation process option, or bankruptcy. *Id.* at § 1547 (1)(a)-(d). Thus, an emergency manager is but one of the choices available to a local unit under P.A. 436. For example, the City of Hamtramck requested the appointment of an EM. But, these options were not available for the other exemplar

communities in this lawsuit because they were already under emergency management. Additionally, the EM appointment is temporary: an emergency manager may, by resolution of the local government, be removed after 18 months, or earlier if financial conditions are corrected or by petition of the local government to the Governor. *Id.* at § 1549 (6)(c), (7), (11). Plaintiffs have no constitutional right to local self-government and an emergency manager is accountable to the State's elected officials.

“Viable local governments may need many innovations, numerous combinations of old and new devices, great flexibility in municipal arrangements to meet changing urban conditions.” *Holt Civil Club v. City of Tuscaloosa*, 439 U.S. 60, 74-75 (1978) (quoting *Sailors*, 387 U.S. at 110-111 (emphasis added)). Moreover, “[m]unicipal corporations are political subdivisions of the [s]tate, created as convenient agencies for exercising such of the governmental powers of the [s]tate as may be entrusted to them. . . . The number, nature, and duration of the powers conferred upon these corporations and the territory over which they shall be exercised rests in the absolute discretion of the [s]tate.” *Hunter v. City of Pittsburgh*, 207 U.S. 161, 178 (1907).

Accordingly, a state may take action, including destroying the municipal corporation entirely, “conditionally or unconditionally, with or without the consent of the citizens, or even against their protest,” and may do so “unrestrained by any

provision of the Constitution of the United States.” *Id.* at 179. Thus, the U.S. Supreme Court in *Hunter* upheld an act authorizing city consolidation and providing for temporary government and payment of the consolidated city’s debts. *Id.* at 178.

Although the Supreme Court has placed limitations on this expansive power—none of which apply here⁶—*Hunter* remains good law. *Hess v. Port Auth. Trans-Hudson Corp.*, 513 U.S. 30, 47 (1994) (citing *Hunter* and affirming that “ultimate control of every state-created entity resides with the State ... [and p]olitical subdivisions exist solely at the whim and behest of their State”) (internal quotation marks omitted); *Kelley v. Metropolitan County Bd. of Educ. of Nashville & Davidson County, Tenn.*, 836 F.2d 986, 994 (6th Cir. 1987).

Moreover, a State’s broad authority does not leave citizens without a voice or petition rights in local government affairs. In *Holt Civil Club*, 439 U.S. at 73-74, a case upholding Alabama’s decision to allow cities to exercise extraterritorial jurisdiction over nearby settlements, the Court recognized that it did not “sit to

⁶ Neither States nor their political subdivisions may draw boundaries that discriminate on an invidious basis, such as race or sex. *See Gomillion v. Lightfoot*, 364 U.S. 339, 341 (1960). Also, equal protection prohibits states from restricting or diluting votes in violation of the “one person, one vote” principle announced in *Reynolds v. Sims*, 377 U.S. 533 (1964), and extended to local governments in *Avery v. Midland County*, 390 U.S. 474 (1968). Too, unjustified discrimination in determining who may participate in political affairs or in the selection of public officials undermines the legitimacy of representative government. *Kramer v. Union Free School Dist. No. 15*, 395 U.S. 621, 626 (1969). But, as argued above, Plaintiffs have no valid equal protection or Voting Rights Act claims.

determine whether Alabama has chosen the soundest or most practical form of internal government possible.” Instead, the “[a]uthority to make those judgments resides in the state legislature, and Alabama citizens are *free to urge their proposals to that body.*” *Id.* (emphasis added, citation omitted).

The same is true here. As was true in *Holt Civil Club*, it is not for this Court to second-guess whether P.A. 436 is the most practical solution. As in *Holt Civic Club*, Michigan must continue to respond to evolving economic challenges and, in doing so, has broad authority over local units of government. Plaintiffs are free to urge their proposals to their state elected officials—even where an emergency manager has temporarily limited the powers of their local officials. And they *still* get to vote, *still* get to voice their views about how local government is run, and *still* can seek to replace officials with whom they are dissatisfied.

Significantly too, while the local unit of government is in receivership, emergency managers are accountable to the State’s *elected* officials—who, in turn, are accountable to Plaintiffs and other voters. At the six-month mark and each three months thereafter, the emergency manager must submit an accounting of expenditures, contracts, loans, new or eliminated positions, and his or her financial and operating plan to the Governor, the state treasurer, various legislative representatives of the local government, and the clerk of the local government. Mich. Comp Laws § 141.1557 (a)-(h). The Governor ultimately determines

whether the financial emergency has been rectified, *id.* at § 1562 (2), and has the power to appoint a new emergency manager. *Id.* at § 141.1564.

In sum, how local government is organized is up to the State. And the way to change state law is through the political process, not the courts.

2. The Petition Clause does not guarantee a particular result.

The Petition Clause guarantees only that an individual may “speak freely and petition openly” and that he will be free from retaliation by the government for doing so. *Smith v. Arkansas State Highway Employees, Local 1315*, 441 U.S. 463, 464–65 (1979) (per curiam). But it does not guarantee that the government will listen or respond, or that a particular petition will be effective. *Id.* (holding that the state’s highway commission did not violate unions’ First Amendment petition rights merely because it ignored the union, which it was free to do); *Canfora v. Old*, 562 F.2d 363, 364 (6th Cir. 1977) (“[N]either in the First Amendment [or] elsewhere in the Constitution is there a provision guaranteeing that all petitions for the redress of grievances will meet with success).

Here, Plaintiffs may exercise their petition rights by informing their state elected officials—and even their local officials during the receivership under P.A. 436—of their desires with respect to the passage or enforcement of laws such as P.A. 436. But they cannot control the outcome, and that is really the essence of their claim. If they are unhappy with the outcome of their previous attempts to

petition the government, their remedy for a law they dislike is at the polls.

Minnesota State Bd. for Community Colleges v. Knight, 465 U.S. 271, 285 (1984)

(explaining that disagreement with public policy and disapproval of officials' responsiveness is to be registered principally at the polls).

3. Rejection of P.A. 4 is not an abridgement of speech or petition and P.A. 436 is not the mirror image of P.A. 4.

Voters exercised their speech and petition rights when they rejected P.A. 4. They also exercised their speech and petition rights when their elected officials enacted P.A. 436. P.A. 436 is not a reenactment of P.A. 4. It replaces P.A. 72, which was in effect at the time. The Legislature determined that P.A. 436 was necessary to ensure local fiscal stability. There is no prohibition under Michigan's Constitution to the Legislature's re-enacting a law identical or similar to one disapproved by referendum. *Reynolds v. Bureau of State Lottery*, 610 N.W.2d 597 (Mich. App. 2000).

This is the political process at work. Plaintiffs may exercise their speech and petition rights to express their discontent with current elected officials and/or elect new state officials. The Legislature's decision to vest formerly appointed emergency financial managers with P.A. 436 powers represents this same political process. If Plaintiffs are unhappy with the result of the political process, they can attempt to have their current elected state officials hear and respond to them, or they can seek to elect new officials—again, all part of the political process.

B. P.A. 436 is also justified by local financial emergencies.

As courts have recognized, there are free speech compromises that are not unconstitutional. E.g., *Burson v. Freeman*, 504 U.S. 191 (1992) (upholding a law prohibiting display or distribution of campaign materials within 100 feet of a polling place); *Hill v. Colorado*, 530 U.S. 703, 725 (2000) (upholding a statute making it a misdemeanor to pass out material or counsel within 8 feet of a person entering or leaving a health care facility in order to pass out material or counsel). That is why courts routinely uphold all manner of restrictions on petitioning, including, for example, registration and disclosure requirements for lobbyists, *United States v. Harris*, 347 U.S. 612, 625 (1954); limiting access to the courts, *Swekel v. City of River Rouge*, 119 F.3d 1259, 1263 (6th Cir. 1997); and subjecting petitioning to neutral time, place and manner restrictions consistent with public safety and order, *Buckley v. Valeo*, 424 U.S. 1 (1976).

A free speech violation occurs only when the restricted speech is constitutionally protected and when the government's justification for the restriction is insufficient. *Frisby v. Schultz*, 487 U.S. 474, 479 (1988). The test for whether a state actor violated a plaintiff's First Amendment right to free speech is: (1) whether plaintiff's speech is protected by the First Amendment; (2) the nature of the forum: public, designated or limited public, or nonpublic; and (3) whether the defendant's justifications for limiting the plaintiff's speech satisfy the requisite

standard. *Cornelius v. NAACP Legal Defense & Educ. Fund*, 473 U.S. 788, 797 (1985).

Here, the requisite standard is intermediate scrutiny because P.A. 436 (if it abridges speech at all) is content-neutral. See *Ward v. Rock Against Racism*, 491 U.S. 781, 791 (1989) (quotation omitted) (“[T]he government may impose reasonable [content-neutral] restrictions on the time, place, or manner of protected speech, provided the restrictions: (1) ‘serve a significant governmental interest;’ (2) ‘are narrowly tailored;’ and (3) ‘leave open ample alternative channels for communication of the information.’”). There is no indication that P.A. 436 was intended to suppress any ideas or that it has had that effect.

P.A. 436 satisfies intermediate scrutiny. The State has a significant and compelling interest in addressing the financial distress of local units of government. And the Act does not abridge more speech or petition rights than necessary to address that distress. It gives local elected officials options in solving its difficulties, and if locals choose an emergency manager, provides narrowly tailored procedures for the manager’s removal. Again, Plaintiffs have ample channels to voice their concerns to their state elected officials. Moreover, the financial exigencies of the local units of government that are subject to the Act justify any temporary abridgment of speech or petition rights. Indeed, governments exercise emergency powers that allow them to temporarily suspend constitutional rights.

These emergencies are often economic. As early as 1934, the Supreme Court addressed an economic emergency in *Home Building & Loan Ass'n v. Blaisdell*, 290 U.S. 398, 435 (1934), and upheld Minnesota's mortgage moratorium law in response to the Great Depression. The Court noted, "[The] principle of harmonizing the constitutional prohibition with the necessary residuum of state power has had progressive recognition in the decisions of this Court." *Id.* "When major emergencies strike, the 'law of necessity' is the one rule that trumps all the others." William H. Rehnquist, "All the Laws But One: Civil Liberties in Wartime" (1998).

In sum, P.A. 436 does not abridge First Amendment free-speech or petition rights, and any alleged abridgement cannot be unconstitutional. This claim fails as a matter of law.

VI. P.A. 436 does not violate the Thirteenth Amendment (Count 8).

In Count 10, Plaintiffs claim that their Thirteenth Amendment rights have been violated because the communities impacted by the appointment of an emergency manager consist mostly of African-American residents. This claim should be rejected.

The Thirteenth Amendment bars slavery and involuntary servitude and gives Congress the power to impose legislation that prohibits such actions. U.S. Const. amend. XIII. As an initial matter, this claim offers no greater protection than

Plaintiffs' equal-protection claims and should therefore be dismissed as redundant. See *Johnson v. Harron*, 1995 WL 319943 at 6 (N.D.N.Y., May 23, 1995) (“[I]n the realm of equal protection, the Thirteenth Amendment offers no protection not already provided under the Fourteenth Amendment.”)

In any event, there is no violation of the Thirteenth Amendment and no legislation enacted by Congress pursuant to the Thirteenth Amendment. The official actions challenged in this case all emanate from the impact of legislation to fix financially troubled local units of government. P.A. 436 does not benefit white citizens within these communities in a way that it does not benefit black citizens. Nor does P.A. 436 “place[] a burden on black citizens as an unconstitutional ‘badge of slavery.’” *City of Memphis v. N.T. Green*, 451 U.S. 100, 124 (1981). Quite the opposite, P.A. 436’s purpose is to benefit all Michigan citizens, of every race and ethnicity. Count 8 should be dismissed for failure to state a claim.

CONCLUSION

For the reasons set forth above, Plaintiffs have failed to state claims upon which relief may be granted, and the First Amended Complaint should be dismissed in its entirety, with prejudice.

Respectfully submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on March 5, 2014, I electronically filed the foregoing paper with the Clerk of the Court using the ECF system which will send notification of such. I also mailed the foregoing paper via US Mail to all non-ECF participants.

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