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Michigan: Wayne County Designated for Financial Emergency Status.

Gov. Rick Snyder on Wednesday declared that Wayne County, home to Detroit, is in a financial emergency, agreeing with the findings of a state-appointed review team. The review team said on Tuesday that it had concluded there was a financial emergency based on the county's out-of-balance budgets over the last four years and an estimated \$1.3 billion unfunded health care liability. The county executive, Warren Evans, requested the review last month, asking the state for a fiscal emergency declaration and a consent agreement to fix problems. Under Michigan law, local governments can choose a consent agreement, emergency manager, neutral evaluation or Chapter 9 municipal bankruptcy to deal with a financial emergency. Detroit went through a similar review process that led to the filing of the biggest-ever American municipal bankruptcy, which the city exited last December after shedding about \$7 billion of its \$8 billion of debt and obligations.

By REUTERS

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