

QUESTION 5 THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK II

In the late 1990's, Cherry Hill was a sparsely populated town located in northern Michigan. However, many Michigan real estate developers recognized that Cherry Hill's proximity to the Great Lakes offered a unique opportunity to turn this small community into a tourist hotspot. Over the next decade, developers constructed luxury resorts, golf courses, fishing lodges and ski resorts in and around Cherry Hill. Residents from neighboring states began purchasing vacation homes in the Cherry Hill area. Though still charming, the once sleepy town now bustled with restaurants, clubs, art studios, and an array of retail shops.

With the development came jobs, although most of the positions were seasonal and did not pay a high wage. Several low-income subdivisions and apartment complexes emerged in and around Cherry Hill in which most of the seasonal employees lived with their families. This population influx caused a strain on local public schools. All the local public schools were overcrowded and lacked sufficient infrastructure to effectively educate students.

The local school board realized that the only way to ensure school operations was to raise revenue. The board considered the use of a recently enacted statute that authorized the board of a school district to levy property taxes for school operating purposes. The statute specifically and expressly exempted "homesteads" and "recreational property" from the tax. "Homestead" was defined as that portion of a dwelling or unit in a multiple-unit dwelling owned and occupied as a principal residence by an owner of the dwelling or unit. "Recreational property" was defined as luxury resorts, golf courses, fishing lodges and ski resorts. At a public hearing, many Cherry Hill property owners whose principal residence was outside of Michigan, objected to paying the majority of the school operating tax and receiving no benefit. The school board nonetheless passed a resolution levying the highest tax possible under the statute.

A large group of non-exempt property owners who resided outside of Michigan, formed a taxpayer organization and filed a declaratory action in the state circuit court against the school board alleging that both the "homestead" and "recreational property" exemptions were discriminatory.

Assess the potential merits of the plaintiff's claims under Article IV of the United States Constitution and the 14th Amendment of the United States Constitution, as well as any corresponding provision(s) under the Michigan constitution. Explain your answer.

*******THE ANSWER TO THIS QUESTION SHOULD GO IN BLUEBOOK II*******