

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN
SOUTHERN DIVISION**

In re:)	Chapter 9
)	
CITY OF DETROIT, MICHIGAN,)	Case No. 13-53846
)	
Debtor.)	Hon. Steven W. Rhodes
)	
)	

**DETROIT RETIREMENT SYSTEMS’ STATEMENT OF ISSUES
TO BE PRESENTED ON APPEAL**

Pursuant to Fed. R. Bankr. P. 8006 and this Court’s Notice of December 9, 2013 [Dkt. # 1972], the Police and Fire Retirement System of the City of Detroit and the General Retirement System of the City of Detroit (together, the “**Retirement Systems**”) respectfully submit this statement of issues to be presented on appeal in connection with the Retirement Systems’ Amended Notice of Appeal [Dkt. # 2096] from the Court’s Opinion Regarding Eligibility [Dkt. # 1945] and Order for Relief Under Chapter 9 of the Bankruptcy Code [Dkt. # 1946].

STATEMENT OF ISSUES TO BE PRESENTED ON APPEAL

1. Under 11 U.S.C. § 109(c)(2), is the City “specifically authorized . . . by State law” to be a Chapter 9 debtor, even though the Pensions Clause of the Michigan Constitution bars the City from discharging accrued pensions benefits in bankruptcy?

2. Does the State Court’s final judgment in *Webster* preclude the City from re-litigating whether PA 436 violates the Pensions Clause by purportedly authorizing the City to proceed in Chapter 9 in a manner that diminishes or impairs accrued pension benefits?

3. Does the Tenth Amendment, as well as the Fifth and Fourteenth Amendments, preclude the application of 11 U.S.C. § 109(c)(2) to a municipal debtor whose discharge of accrued pension obligations would violate the State’s constitution?

4. Under 11 U.S.C. §109(c)(5), were negotiations between the City and its creditors “impracticable”?

Dated: December 20, 2013

Respectfully submitted,

CLARK HILL PLC

/s/ Robert D. Gordon

Robert D. Gordon (P48627)
Shannon L. Deeby (P60242)
Jennifer K. Green (P69019)
151 South Old Woodward Avenue
Suite 200
Birmingham, Michigan 48009
Telephone: (248) 988-5882
Facsimile: (248) 988-2502
rgordon@clarkhill.com

-and-

ARNOLD & PORTER LLP
Lisa Hill Fenning
777 South Figueroa Street
44th Floor
Los Angeles, California 90017
Telephone: (213) 243-4000
Facsimile: (213) 243-4199
lisa.fenning@aporter.com

*Counsel to the Police and Fire Retirement
System of the City of Detroit and the
General Retirement System of the City of
Detroit*