

POLICE AND FIRE SPECIAL ASSESSMENTS

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

Senate Bill 1235 (S-2) as passed by the Senate
Sponsor: Sen. Peter MacGregor
House Committee: Government Operations
Senate Committee: Finance
Complete to 12-10-18

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

Senate Bill 1235 would amend Public Act 33 of 1951, which provides the means for townships and certain villages and cities to provide police and/or fire protection, to add stipulations regarding the levy of a special assessment under the act.

The act allows townships to levy a special assessment to support police and/or fire protection on the lands and premises to be benefited. (Broadly speaking, the act also applies to adjoining townships and incorporated villages and cities with under 15,000 residents acting jointly.)

Under the bill, a special assessment imposed under the act would have to be levied on all properties within the special assessment district except property exempt from the collection of taxes under the General Property Tax Act.

The bill would also require that, after December 31, 2018, a special assessment levied under the act must be spread on the taxable value of the property assessed based on the special benefit provided to the property assessed. The special assessment could not be based on police and fire protection provided to the property in a previous year. However, the special assessment could be based on the type of property being assessed.

The bill would take effect January 1, 2019.

MCL 41.801

FISCAL IMPACT:

As written, SB 1235 would have no impact on state revenue or expenditures, but could affect the finances of eligible townships to the extent special assessments are approved. Because the extent to which special assessments might be approved is not known, the impact cannot be determined.

Legislative Analyst: Rick Yuille
Fiscal Analyst: Jim Stansell

■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.