

SENATE BILL No. 1235

November 28, 2018, Introduced by Senator MACGREGOR and referred to the Committee on Finance.

A bill to amend 1951 PA 33, entitled

"An act to provide police and fire protection for townships and for certain areas in townships, certain incorporated villages, and certain cities; to authorize contracting for fire and police protection; to authorize the purchase of fire and police equipment, and the maintenance and operation of the equipment; to provide for defraying the cost of the equipment; to authorize the creation of special assessment districts and the levying and collecting of special assessments; to authorize the issuance of special assessment bonds in anticipation of the collection of special assessments and the advancement of the amount necessary to pay such bonds, and to provide for reimbursement for such advances by reassessment if necessary; to authorize the collection of fees for certain emergency services in townships and other municipalities; to authorize the creation of administrative boards and to prescribe their powers and duties; to provide for the appointment of traffic officers and to prescribe their powers and duties; and to repeal acts and parts of acts,"

by amending section 1 (MCL 41.801), as amended by 2002 PA 501.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) The township board of a township, or the township

1 boards of adjoining townships acting jointly, whether or not the
2 townships are located in the same county, may purchase police and
3 fire motor vehicles, apparatus, equipment, and housing and for that
4 purpose may provide by resolution for the appropriation of general
5 or contingent funds. Before January 1, 1999, the appropriation for
6 fire motor vehicles, apparatus, equipment, and housing in a 1-year
7 period ~~shall~~**MUST** not exceed 10 mills of the assessed valuation of
8 the area in their respective townships for which fire protection is
9 to be furnished. After December 31, 1998, the appropriation for
10 fire motor vehicles, apparatus, equipment, and housing in a 1-year
11 period ~~shall~~**MUST** not exceed 10 mills of the taxable value of the
12 area in their respective townships for which fire protection is to
13 be furnished. Before January 1, 1999, the appropriation for police
14 motor vehicles, apparatus, equipment, and housing in a 1-year
15 period ~~shall~~**MUST** not exceed 10 mills of the assessed valuation of
16 the area in their respective townships for which police protection
17 is to be furnished. After December 31, 1998, the appropriation for
18 police motor vehicles, apparatus, equipment, and housing in a 1-
19 year period ~~shall~~**MUST** not exceed 10 mills of the taxable value of
20 the area in their respective townships for which police protection
21 is to be furnished.

22 (2) The township board of a township, or the township boards
23 of adjoining townships acting jointly, whether or not the townships
24 are located in the same county, may provide annually by resolution
25 for the appropriation of general or contingent funds for
26 maintenance and operation of police and fire departments.

27 (3) The township board, or the township boards of adjoining

1 townships acting jointly, may provide that the ~~sums prescribed~~
2 **MONEY APPROPRIATED IN SUBSECTION (1) FOR THE PURCHASE OF POLICE OR**
3 **FIRE MOTOR VEHICLES, APPARATUS, EQUIPMENT, AND HOUSING FOR THAT**
4 **PURPOSE, OR THE MONEY APPROPRIATED** in subsection (2) ~~for purchasing~~
5 ~~and housing equipment,~~ for the **MAINTENANCE AND** operation of the
6 ~~equipment,~~ **POLICE AND FIRE DEPARTMENTS,** or both, may be defrayed by
7 special assessment on the lands and premises in the township or
8 townships to be benefited, except, beginning in 2002, lands and
9 premises exempt from the collection of taxes under the general
10 property tax act, 1893 PA 206, MCL 211.1 to ~~211.157,~~ **211.155,** and
11 may issue bonds in anticipation of the collection of these special
12 assessments. ~~The~~ **BEFORE JANUARY 1, 2019, THE** question of raising
13 money by special assessment may be submitted to the electors of the
14 township or townships by the township board, or township boards
15 acting jointly, at a general election or special election called
16 for that purpose by the township board or township boards. The
17 question of raising money by special assessment ~~shall~~ **MUST** be
18 submitted by the township board, or township boards acting jointly,
19 if in the affected township, or in each of the affected townships,
20 the owners of 10% of the land to be made into a special assessment
21 district petition the township board or boards.

22 (4) **AFTER DECEMBER 31, 2018, IF A TOWNSHIP BOARD SEEKS, OR**
23 **TOWNSHIP BOARDS ACTING JOINTLY SEEK, TO CREATE A SPECIAL ASSESSMENT**
24 **DISTRICT AND IMPOSE A SPECIAL ASSESSMENT UNDER THIS SECTION ON ALL**
25 **LANDS AND PREMISES IN A TOWNSHIP OTHER THAN LAND AND PREMISES**
26 **EXEMPT FROM THE COLLECTION OF TAXES UNDER THE GENERAL PROPERTY TAX**
27 **ACT, 1893 PA 206, MCL 211.1 TO 211.155, THE QUESTION OF CREATING**

1 THE SPECIAL ASSESSMENT DISTRICT AND IMPOSING THE SPECIAL ASSESSMENT
2 ON THE LAND AND PREMISES SHALL BE SUBMITTED TO THE ELECTORS OF THAT
3 TOWNSHIP BY THE TOWNSHIP BOARD OF THE TOWNSHIP AT A GENERAL
4 ELECTION OR SPECIAL ELECTION CALLED FOR THAT PURPOSE BY THE
5 TOWNSHIP BOARD, AND THE SPECIAL ASSESSMENT MAY ONLY BE IMPOSED IN
6 THAT TOWNSHIP IF APPROVED BY THE ELECTORS OF THE TOWNSHIP AT THAT
7 ELECTION.

8 (5) AFTER DECEMBER 31, 2018, IF A TOWNSHIP BOARD SEEKS, OR
9 TOWNSHIP BOARDS ACTING JOINTLY SEEK, TO CREATE A SPECIAL ASSESSMENT
10 DISTRICT AND IMPOSE A SPECIAL ASSESSMENT UNDER THIS SECTION ON SOME
11 BUT NOT ALL LANDS AND PREMISES IN A TOWNSHIP NOT EXEMPT FROM THE
12 COLLECTION OF TAXES UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA
13 206, MCL 211.1 TO 211.155, THE QUESTION OF IMPOSING THE SPECIAL
14 ASSESSMENT ON THAT LAND AND PREMISES SHALL BE SUBMITTED TO THE
15 RECORD OWNERS OF THE LAND AND PREMISES SUBJECT TO THE PROPOSED
16 ASSESSMENT, AND THE SPECIAL ASSESSMENT MAY ONLY BE IMPOSED IF
17 APPROVED BY 51% OR MORE OF THE RECORD OWNERS OF THE LAND AND
18 PREMISES SUBJECT TO THE PROPOSED SPECIAL ASSESSMENT.

19 (6) IF A PROPOSAL ON THE QUESTION OF IMPOSING, INCREASING, OR
20 RENEWING A SPECIAL ASSESSMENT IS SUBMITTED TO THE ELECTORS OF A
21 TOWNSHIP UNDER SUBSECTION (4) OR TO RECORD OWNERS UNDER SUBSECTION
22 (5), THE QUESTION PRESENTED MUST, IN ADDITION TO ANY OTHER
23 REQUIREMENT PROVIDED BY LAW, CLEARLY STATE ALL OF THE FOLLOWING:

24 (A) A STATEMENT OF THE PURPOSE FOR THE SPECIAL ASSESSMENT,
25 INCLUDING WHETHER THE SPECIAL ASSESSMENT WILL DEFRAY THE COST OF 1
26 OR MORE OF THE FOLLOWING:

27 (i) PURCHASING POLICE OR FIRE MOTOR VEHICLES, APPARATUS, OR

1 EQUIPMENT.

2 (ii) HOUSING POLICE OR FIRE MOTOR VEHICLES, APPARATUS, OR
3 EQUIPMENT.

4 (iii) MAINTAINING AND OPERATING POLICE OR FIRE DEPARTMENTS.

5 (B) THE ESTIMATED COST AND EXPENSES OF THE POLICE AND FIRE
6 PROTECTION.

7 (C) THE ESTIMATED AMOUNT OF REVENUE THAT WILL BE COLLECTED IN
8 THE FIRST YEAR THAT THE SPECIAL ASSESSMENT IS AUTHORIZED AND
9 IMPOSED.

10 (D) THE RATE OF THE SPECIAL ASSESSMENT.

11 (E) THE DURATION OF THE SPECIAL ASSESSMENT IN YEARS.

12 (F) FOR A QUESTION SUBMITTED TO RECORD OWNERS UNDER SUBSECTION
13 (5), THE BOUNDARIES OF THE SPECIAL ASSESSMENT DISTRICT.

14 (7) ~~(4)~~—If a special assessment district is proposed under
15 subsection (3), (4), OR (5), the township board, or township boards
16 acting jointly, shall estimate the cost and expenses of the police
17 and fire motor vehicles, apparatus, equipment, and housing and
18 police and fire protection, and fix a day for a hearing on the
19 estimate and on the question of creating a special assessment
20 district and defraying the expenses of the special assessment
21 district by special assessment on the property to be especially
22 benefited, except, beginning in 2002, property exempt from the
23 collection of taxes under the general property tax act, 1893 PA
24 206, MCL 211.1 to ~~211.157.~~ **211.155**. The hearing shall ~~shall~~ **MUST** be a
25 public meeting held in compliance with the open meetings act, 1976
26 PA 267, MCL 15.261 to 15.275. Public notice of the time, date, and
27 place of the meeting shall ~~shall~~ **MUST** be given in the manner required by

1 the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. In
2 addition, the township board, or township boards acting jointly,
3 shall publish in a newspaper of general circulation in the proposed
4 district a notice stating the time, place, and purpose of the
5 meeting. If there is not a newspaper of general circulation in the
6 proposed district, notices ~~shall~~**MUST** be posted in not less than 3
7 of the most public places in the proposed district. This notice
8 ~~shall~~**MUST** be published or posted not less than 5 days before the
9 hearing. **AFTER DECEMBER 31, 2018, A NOTICE UNDER THIS SUBSECTION**
10 **ALSO MUST INCLUDE THE INFORMATION DESCRIBED IN SUBSECTION (6).** On
11 the day appointed for the hearing, the township board, or township
12 boards acting jointly, shall be in session to hear objections that
13 may be offered against the estimate, ~~and~~ the creation of the
14 special assessment district, **AND THE IMPOSITION OF THE SPECIAL**
15 **ASSESSMENT.** Before January 1, 1999, if the township board, or
16 township boards acting jointly, determine to create a special
17 assessment district, they shall determine the boundaries by
18 resolution, determine the amount of the special assessment levy,
19 and direct the supervisor or supervisors to spread the assessment
20 levy on all of the lands and premises in the district that are to
21 be especially benefited by the police and fire protection,
22 according to benefits received, except, beginning in 2002, lands
23 and premises exempt from the collection of taxes under the general
24 property tax act, 1893 PA 206, MCL 211.1 to ~~211.157,~~**211.155,** to
25 defray the expenses of police and fire protection. After December
26 31, 1998, if the township board, or township boards acting jointly,
27 determine to create a special assessment district **AND IMPOSE A**

1 **SPECIAL ASSESSMENT UNDER THIS SECTION**, they shall determine the
2 boundaries by resolution, determine the amount of the special
3 assessment levy, and direct the supervisor or supervisors to spread
4 the assessment levy on the taxable value of all of the lands and
5 premises in the district that are to be especially benefited by the
6 police and fire protection, according to benefits received, except,
7 beginning in 2002, lands and premises exempt from the collection of
8 taxes under the general property tax act, 1893 PA 206, MCL 211.1 to
9 ~~211.157,~~ **211.155**, to defray the expenses of police and fire
10 protection, **SUBJECT TO ANY REQUIREMENT FOR APPROVAL UNDER**
11 **SUBSECTION (4) OR (5)**. The township board, or township boards
12 acting jointly, shall hold a hearing on objections to the
13 ~~distribution of the special assessment levy.~~ **DISTRICT OR THE**
14 **SPECIAL ASSESSMENT**. This hearing shall ~~shall~~ **MUST** be held in the same
15 manner and with the same notice as provided in this section. The
16 township board, or township boards acting jointly, shall annually
17 determine the amount to be assessed in the district for police and
18 fire protection, shall direct the supervisor or supervisors to
19 distribute the special assessment levy, and shall hold a **PUBLIC**
20 hearing on the estimated costs and expenses of police and fire
21 protection and on the distribution of the levy. The assessment may
22 be made either in a special assessment roll or in a column provided
23 in the regular tax roll. The assessment shall ~~shall~~ **MUST** be distributed
24 and shall ~~shall~~ **MUST** become due and be collected at the same time as
25 other township taxes are assessed, levied, and collected, and shall
26 **MUST** be returned in the same manner for nonpayment. If a township
27 has a July property tax levy, not more than 2 mills of the

1 assessment may be collected at the same time and in the same manner
2 as the July levy. If the collections received from the special
3 assessment levied to defray the cost or portion intended to be
4 defrayed for police and fire protection are, at any time,
5 insufficient to meet the obligations or expenses incurred for the
6 ~~maintenance and operation of the police and fire departments,~~
7 **POLICE AND FIRE PROTECTION**, the township board of the township, or
8 township boards acting jointly, may, by resolution, authorize the
9 transfer or loan of sufficient money from the general fund of the
10 township or townships, to the special assessment police and fire
11 department fund. This money ~~shall~~**MUST** be repaid to the general
12 fund of the township or townships out of special assessment funds
13 when collected.

14 (8) ~~(5)~~—The powers granted by this act with respect to police
15 and fire protection may be exercised with respect to police
16 protection alone, fire protection alone, or police and fire
17 protection in combination.

18 (9) ~~(6)~~—After December 31, 1998, an ad valorem special
19 assessment levied under this act ~~shall~~**MUST** be levied on the
20 taxable value of the property assessed. **AFTER DECEMBER 31, 2018, IF**
21 **A SPECIAL ASSESSMENT IS LEVIED UNDER SUBSECTION (4), THE SPECIAL**
22 **ASSESSMENT MUST BE LEVIED ON THE TAXABLE VALUE OF THE PROPERTY**
23 **ASSESSED. A SPECIAL ASSESSMENT LEVIED UNDER THIS ACT MUST BE BASED**
24 **ON THE SPECIAL BENEFIT PROVIDED TO THE PROPERTY ASSESSED AND MAY**
25 **NOT BE BASED ON POLICE AND FIRE PROTECTION PROVIDED IN A PRIOR YEAR**
26 **TO ASSESSED PROPERTY.**

27 (10) **A SPECIAL ASSESSMENT IMPOSED UNDER THIS ACT MUST BE**

1 LEVIED ON ALL PROPERTIES WITHIN THE SPECIAL ASSESSMENT DISTRICT
2 ESTABLISHED PURSUANT TO THIS ACT OTHER THAN PROPERTIES EXEMPT FROM
3 THE COLLECTION OF TAXES UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA
4 206, MCL 211.1 TO 211.155.

5 (11) ~~(7)~~ As used in this section: ~~"taxable~~

6 (A) "POLICE AND FIRE PROTECTION" INCLUDES 1 OR MORE OF THE
7 FOLLOWING:

8 (i) PURCHASING POLICE OR FIRE MOTOR VEHICLES, APPARATUS, OR
9 EQUIPMENT.

10 (ii) HOUSING POLICE OR FIRE MOTOR VEHICLES, APPARATUS, OR
11 EQUIPMENT.

12 (iii) MAINTAINING AND OPERATING POLICE OR FIRE DEPARTMENTS.

13 (B) "RECORD OWNER" MEANS THAT TERM AS DEFINED IN SECTION 1A OF
14 1954 PA 188, MCL 41.721A.

15 (C) "TAXABLE value" means that value determined under section
16 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

17 (12) ~~(8)~~ If the levy of an ad valorem special assessment on
18 the property's taxable value is found to be invalid by a court of
19 competent jurisdiction, the levy of the ad valorem special
20 assessment ~~shall~~ **MUST** be levied on the property's state equalized
21 value.

22 (13) ~~(9)~~ Bonds issued under this act are subject to the
23 revised municipal finance act, 2001 PA 34, MCL 141.2101 to
24 141.2821.

25 Enacting section 1. This amendatory act takes effect January
26 1, 2019.