

# Legislative Analysis



## ALLOW EMERGENCY SERVICE AUTHORITIES TO SERVE PARTIAL MUNICIPALITIES

Phone: (517) 373-8080  
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**House Bill 4360 (H-1) as passed by the Senate**

**Sponsor: Rep. Felicia Brabec**

**House Committee: Local Government and Municipal Finance**

**Senate Committee: Local Government**

**Complete to 6-12-24**

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

*(Enacted as Public Act 64 of 2024)*

### SUMMARY:

House Bill 4360 would amend 1988 PA 57, which allows two or more counties, cities, villages, or townships to incorporate an authority to provide them with emergency services such as fire or police protection or emergency medical services. The act allows such an authority to levy a tax on all property within its boundaries to fund its operations, with voter approval. A municipality may also levy a tax on property within its boundaries to fund or fulfill a contractual obligation with an emergency service authority, as long as the tax adheres to all charter, statutory, and constitutional requirements.

Currently, an authority created under the act must have jurisdiction over all territory located within the incorporating municipalities.

The bill would allow incorporating municipalities to determine the territory to be served by an emergency service authority, which would remain limited to territory inside the municipalities but could include portions of municipalities.

If an emergency service authority serves a partial municipality, it could levy a tax on the property within its jurisdiction upon the approval of the voters residing within its boundaries. However, such an authority could not be funded through a tax levied by an incorporating municipality.

The bill would also require the articles of incorporation for any emergency service authority to be published on the website of each incorporating municipality, instead of (as currently) in a newspaper. If any of the municipalities did not have a website, then the articles of incorporation would have to be published in the clerk's office of each municipality.

MCL 124.602

### BRIEF DISCUSSION:

According to committee testimony, some municipalities receive emergency service coverage, particularly fire services, from multiple nearby local governments in order to maximize efficiency and reduce response times. However, these emergency service departments currently cannot become authorities under 1988 PA 57, and thus levy a tax to fund their operations, while serving only a portion of a municipality. Supporters of House Bill 4360 argue that the bill addresses this issue, as emergency service authorities could continue providing

coverage to nearby local governments in areas where they are needed while being able to receive funding from all the residents that they serve.

**SENATE ACTION:**

An amendment adopted on the Senate floor added a provision stating that an emergency service authority serving a partial municipality could be funded through a voter-approved tax levied by the authority on property within its jurisdiction, but not through a tax levied by one or more of the incorporating municipalities.

**FISCAL IMPACT:**

The bill would have no direct fiscal impact on local units of government or the state. The provisions of the bill are permissive. Any change to how two or more municipalities incorporate an authority for providing emergency services and the territory covered by the emergency services would be at the discretion of the incorporating municipalities.

**POSITIONS:**

Representatives of the following entities testified in support of the bill (6-14-23):

- Michigan Municipal League
- Saline Area Fire Department

The following entities indicated support for the bill (6-21-23):

- City of Grand Rapids
- Michigan Association of Counties
- Michigan Townships Association

Legislative Analyst: Holly Kuhn  
Fiscal Analyst: Ben Gielczyk

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■ 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.