




Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5671 (as passed by the Senate)
Sponsor: Representative Joe Hune
House Committee: Local Government and Urban Policy
Senate Committee: Local, Urban and State Affairs

Date Completed: 7-9-04

RATIONALE

During Howell's recent annexation of land in an adjoining township, several property owners who did not wish their properties to become part of the city evidently had their land annexed without being notified in advance. While the State Boundary Commission is required to hold a public hearing in or reasonably near the area of a proposed annexation, there is currently no requirement in State law that the individual property owners be notified. As a result, in some cases, property owners might find their land annexed without their knowledge. Some people believe that the Commission should be required to notify property owners in or near areas that cities are petitioning to annex, in order to give the property owners an opportunity to voice their support or opposition.

CONTENT

The bill would amend the Home Rule City Act to require the State Boundary Commission to give at least 30 days' notice of a public hearing on an annexation petition or resolution to property owners located in the area proposed for annexation, and to each person residing within 300 feet of that area.

Under the Act, a petition or resolution for annexation of territory must be filed with the State Boundary Commission, which must hold a public hearing in or reasonably near the area proposed for annexation. In processing an annexation petition, the Commission has the same powers and duties as provided in Public Act 191 of 1968 (which governs the Commission) relating to petitions that propose incorporations. These

include publishing notice of the hearing and giving notice by certified mail to the clerks of the affected municipalities.

The bill provides that, in addition to giving notice to property owners located in the area proposed for annexation, the Commission would have to give notice of each public hearing to property owners located within 300 feet of the area proposed for annexation. The Commission would have to give the notice by certified mail at least 30 days before the hearing.

At least 45 days before the hearing, the local unit of government capable of producing information about the property owners in the affected area would have to provide the Commission with the names and addresses of all the people to whom the Commission would have to give notice. The Commission would be required to provide notice only to the property owners included on the list provided by the local unit of government.

Additionally, the bill would require that the Commission mail a copy of any final order issued under the Act's annexation provisions to each property owner who received notice of a hearing.

MCL 117.9

ARGUMENTS

(Please note: The arguments contained in this analysis originate from sources outside the Senate Fiscal Agency. The Senate Fiscal Agency neither supports nor opposes legislation.)

Supporting Argument

The bill would prevent situations in which property owners find that their property has been annexed into a city without their having been informed of the city's petition or having participated in the public hearings regarding the proposed annexation that the Commission is required to hold. The requirement that the Commission notify the property owners within 300 feet of the proposed annexation by certified mail would help ensure that all property owners who could be affected had the opportunity to voice their support for or objection to the petition.

Legislative Analyst: J.P. Finet

FISCAL IMPACT

The bill would increase local unit expenses by an indeterminate amount. Depending on the local unit and the areas affected by the bill, the increase in expenditures would generally be minimal.

This estimate is preliminary and will be revised as new information becomes available.

Fiscal Analyst: David Zin

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.