

HOUSE BILL No. 5126

September 6, 2005, Introduced by Reps. Hansen, Elsenheimer, Green, Brandenburg, Booher, Vander Veen, Casperson, Stahl, Sheltroun, Hildenbrand and Ball and referred to the Committee on Tax Policy.

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:

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

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boards of adjoining townships acting jointly, whether or not the townships are located in the same county, may purchase police and fire motor vehicles, apparatus, equipment, and housing and for that purpose may provide by resolution for the appropriation of general or contingent funds. Before January 1, 1999, the appropriation for fire motor vehicles, apparatus, equipment, and housing in a 1-year period shall not exceed 10 mills of the assessed valuation of the area in their respective townships for which fire protection is to be furnished. After December 31, 1998, the appropriation for fire motor vehicles, apparatus, equipment, and housing in a 1-year period shall not exceed 10 mills of the taxable value of the area in their respective townships for which fire protection is to be furnished. Before January 1, 1999, the appropriation for police motor vehicles, apparatus, equipment, and housing in a 1-year period shall not exceed 10 mills of the assessed valuation of the area in their respective townships for which police protection is to be furnished. After December 31, 1998, the appropriation for police motor vehicles, apparatus, equipment, and housing in a 1-year period shall not exceed 10 mills of the taxable value of the area in their respective townships for which police protection is to be furnished.

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

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

1 townships acting jointly, may provide that the sums prescribed in
2 subsection (2) for purchasing and housing equipment, for the
3 operation of the equipment, or both, may be defrayed by special
4 assessment on the lands and premises in the township or townships
5 to be benefited, except, beginning in 2002, lands and premises
6 exempt from the collection of taxes under the general property tax
7 act, 1893 PA 206, MCL 211.1 to 211.157, and may issue bonds in
8 anticipation of the collection of these special assessments. The
9 question of raising money by special assessment may be submitted to
10 the electors of the township or townships by the township board, or
11 township boards acting jointly, at a general election or special
12 election called for that purpose by the township board or township
13 boards. The question of raising money by special assessment shall
14 be submitted by the township board, or township boards acting
15 jointly, if in the affected township, or in each of the affected
16 townships, the owners of 10% of the land to be made into a special
17 assessment district petition the township board or boards.

18 (4) If a special assessment district is proposed under
19 subsection (3), the township board, or township boards acting
20 jointly, shall estimate the cost and expenses of the police and
21 fire motor vehicles, apparatus, equipment, and housing and police
22 and fire protection, and fix a day for a hearing on the estimate
23 and on the question of creating a special assessment district and
24 defraying the expenses of the special assessment district by
25 special assessment on the property to be especially benefited,
26 except, beginning in 2002, property exempt from the collection of
27 taxes under the general property tax act, 1893 PA 206, MCL 211.1 to

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

1 ~~they shall determine the boundaries by resolution, determine the~~
2 ~~amount of the special assessment levy, and direct the supervisor or~~
3 ~~supervisors to spread the assessment levy on the taxable value of~~
4 ~~all of the lands and premises in the district that are to be~~
5 ~~especially benefited by the police and fire protection, according~~
6 ~~to benefits received, except, beginning in 2002, lands and premises~~
7 ~~exempt from the collection of taxes under the general property tax~~
8 ~~act, 1893 PA 206, MCL 211.1 to 211.157, to defray the expenses of~~
9 ~~police and fire protection.~~ **A SPECIAL ASSESSMENT UNDER THIS ACT**
10 **MAY BE CALCULATED ON A SPECIFIC AMOUNT PER PARCEL BASIS OR ON AN AD**
11 **VALOREM BASIS. AFTER DECEMBER 31, 1998, A SPECIAL ASSESSMENT LEVIED**
12 **UNDER THIS ACT ON AN AD VALOREM BASIS SHALL BE LEVIED ON THE**
13 **TAXABLE VALUE OF THE PROPERTY ASSESSED.** The township board, or
14 township boards acting jointly, shall hold a hearing on objections
15 to the distribution of the special assessment levy. This hearing
16 shall be held in the same manner and with the same notice as
17 provided in this section. The township board, or township boards
18 acting jointly, shall annually determine the amount to be assessed
19 in the district for police and fire protection, shall direct the
20 supervisor or supervisors to distribute the special assessment
21 levy, and shall hold a hearing on the estimated costs and expenses
22 of police and fire protection and on the distribution of the levy.
23 The assessment may be made either in a special assessment roll or
24 in a column provided in the regular tax roll. The assessment shall
25 be distributed and shall become due and be collected at the same
26 time as other township taxes are assessed, levied, and collected,
27 and shall be returned in the same manner for nonpayment. If a

1 township has a July property tax levy, not more than 2 mills of the
2 assessment may be collected at the same time and in the same manner
3 as the July levy. If the collections received from the special
4 assessment levied to defray the cost or portion intended to be
5 defrayed for police and fire protection are, at any time,
6 insufficient to meet the obligations or expenses incurred for the
7 maintenance and operation of the police and fire departments, the
8 township board of the township, or township boards acting jointly,
9 may, by resolution, authorize the transfer or loan of sufficient
10 money from the general fund of the township or townships, to the
11 special assessment police and fire department fund. This money
12 shall be repaid to the general fund of the township or townships
13 out of special assessment funds when collected.

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

18 ~~— (6) After December 31, 1998, an ad valorem special assessment~~
19 ~~levied under this act shall be levied on the taxable value of the~~
20 ~~property assessed.~~

21 (6) ~~—(7)—~~ As used in this section, "taxable value" means that
22 value determined under section 27a of the general property tax act,
23 1893 PA 206, MCL 211.27a.

24 (7) ~~—(8)—~~ If the levy of an ad valorem special assessment on
25 the property's taxable value is found to be invalid by a court of
26 competent jurisdiction, the levy of the ad valorem special
27 assessment shall be levied on the property's state equalized value.

1 (8) ~~—(9)—~~ Bonds issued under this act are subject to the
2 revised municipal finance act, 2001 PA 34, MCL 141.2101 to
3 141.2821.