

# Legislative Analysis



## POLICE AND FIRE SPECIAL ASSESSMENTS

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### House Bill 4281 (proposed substitute H-2)

Sponsor: Rep. Alex Garza

Committee: Local Government and Municipal Finance

Complete to 9-28-21

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

## SUMMARY:

House Bill 4281 would amend 1951 PA 33, which governs the provision of police and fire protection services by certain municipalities, to change general population requirements for qualified cities under the act and also to provide that the city of Romulus is a qualified city.

1951 PA 33 applies to townships and adjoining townships and incorporated villages and **qualified cities**. Among other things, the act authorizes these municipalities to provide funding to equip, maintain, and operate police and fire departments and to levy a special assessment on property in the area benefited by the police or fire services. Municipalities can issue bonds in anticipation of the collection of the assessments. Municipalities can charge fees for emergency police, fire, or ambulance services. Contiguous municipalities can act jointly under the act.

Currently, **qualified city** means either of the following:

- A city with a population of less than 15,000.
- A city with a population of at least 15,000 but less than 70,000 that is located in a county with a population of more than 180,000 and less than 215,000, as long as the question of raising money by special assessment under the act and the annual amount of the special assessment is approved by a majority of voters in the special assessment district. [This provision refers to the city of Saginaw.]

The bill would change the qualifying population thresholds in the definition of **qualified city** from 15,000 to 15,500 and also add parameters that apply only to Romulus. Under the bill, **qualified city** would mean any of the following:

- A city with a population of less than 15,500.
- A city with a population of at least 15,500 but less than 70,000 that is located in a county with a population of more than 180,000 and less than 215,000, as long as the question of raising money by special assessment under the act and the annual amount of the special assessment is approved by a majority of voters in the special assessment district. [This provision refers to the city of Saginaw.]
- A city that is located in a county with a population of more than 1.5 million and that contains an airport with 10.0 million or more enplanements (passengers) in any 12-month period,<sup>1</sup> as long as the question of raising money by special assessment under the act and the annual amount of the special assessment is approved by a majority of voters in the special assessment district. [This provision refers to the city of Romulus.]

MCL 41.810

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<sup>1</sup> See the definition of qualified airport in the Aeronautics Code: <http://legislature.mi.gov/doc.aspx?mcl-259-109>

## **BACKGROUND:**

House Bill 4281 would allow a city with a population of less than 15,500 (instead of less than 15,000) to be a qualified city under 1951 PA 33.

The only cities that are not qualified cities under the act (using 2020 population numbers) but would be under the bill are Berkley (15,194) and Harper Woods (15,492). Both were qualified cities under the act using 2010 numbers. The bill would allow them to retain this status.

Traverse City and Wixom were qualified cities using 2010 numbers but, using 2020 numbers, are no longer qualified cities under the act and would not be qualified cities under the bill.

Saginaw (44,202) is currently a qualified city because Livingston County (193,866) and Saginaw County (190,124) are the only counties with populations between 180,000 and 215,000 and Saginaw is the only city in either of those counties with a population between 15,000 and 70,000. Saginaw also would be a qualified city under the bill.

The criteria added by the bill for a qualified city that is located in a county with a population over 1.5 million and has an airport with 10.0 million or more enplanements in any 12-month period would apply only to the city of Romulus. Wayne County (1,793,561) is the only Michigan county with a population greater than 1.5 million, and Romulus is the only city in Wayne County that contains such an airport (Detroit Metropolitan Wayne County Airport).

## **FISCAL IMPACT:**

House Bill 4281 would have no direct fiscal impact on the state or local units of government. While the bill would expand the number of qualified cities under the act, the act is permissive in nature. The requirement that voters approve the special assessment would apply to the new qualified city. The bill also would allow two previously qualified cities to retain their status as qualified cities under the act.

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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.