

HOUSE BILL NO. 6337

June 30, 2022, Introduced by Reps. Ellison and Calley and referred to the Committee on Regulatory Reform.

A bill to amend 1909 PA 279, entitled
"The home rule city act,"
by amending section 5 (MCL 117.5), as amended by 2011 PA 133.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. (1) A city does not have power to do any of the
2 following:

3 (a) To increase the rate of taxation now fixed by law, unless
4 the authority to do so is given by a majority of the electors of
5 the city voting at the election at which the proposition is
6 submitted, but the increase in any case ~~shall~~**must** not be in an

1 amount as to cause the rate to exceed 2%, except as provided by
2 law, of the assessed value of the real and personal property in the
3 city.

4 (b) To submit to the electors a charter more often than once
5 in every 2 years, nor unless the charter is filed with the city
6 clerk 60 days before the election, but this provision ~~shall~~**does**
7 not apply to the submission and resubmission of charters of cities
8 that may be incorporated under this act until they ~~shall~~ have first
9 adopted a charter. Where a city submits to the electors a charter
10 and the charter is adopted by the electors, and the city has
11 operated under the charter, which charter has not, at the time it
12 is adopted, been on file with the city clerk 60 days, then the
13 legislative body of the city, upon its giving the notice of
14 election as provided in the charter, may resubmit to the electors,
15 at a special or general election, the charter, which, if adopted by
16 the electors, ~~shall~~**must** be considered operative and effective as
17 of the date of the first submission and adoption. The charter ~~shall~~
18 **must** not be resubmitted unless 60 days have elapsed between the
19 date of the filing of the charter and the date of the election at
20 which the charter is resubmitted.

21 (c) To call more than 2 special elections within 1 year. This
22 prohibition does not apply to elections that may be held in the
23 submission and resubmission of charters of cities that may be
24 incorporated under this act until they have first adopted a
25 charter, and does not apply to elections that may be held in the
26 resubmission of a charter once adopted as provided in subdivision
27 (b).

28 (d) To decrease the salary of a municipal judge after his or
29 her election or appointment, or during the judge's term of office,

1 notwithstanding any charter provision to the contrary. The term of
2 a public official ~~shall~~**must** not be shortened or extended beyond
3 the period for which the official is elected or appointed, unless
4 he or she resigns or is removed for cause, if the office is held
5 for a fixed term.

6 (e) To adopt a charter or an amendment to the charter unless
7 approved by a majority of the electors voting on the question; to
8 sell a park, cemetery, or any part of a park or cemetery, except
9 where the park is not required under an official master plan of the
10 city; to engage in a business enterprise requiring an investment of
11 money in excess of 10 cents per capita; or to authorize an issue of
12 bonds except bonds issued in anticipation of the collection of
13 taxes actually levied and uncollected or for which an appropriation
14 has been made; bonds that the city is authorized by its charter to
15 issue as part of its budget system, to an amount that in any year,
16 together with the taxes levied for the same year, will not exceed
17 the limit of taxation authorized by law; special assessment bonds;
18 bonds for the city's portion of local improvements; refunding
19 bonds; emergency bonds as defined by this act; and bonds that the
20 legislative body is authorized by specific statute to issue without
21 vote of the electors, unless approved by a majority of the electors
22 voting on the question at a general or special election. In
23 addition, a city that now has, or may subsequently have, a
24 population of 750,000 persons or more may issue bonds, upon
25 resolution of its governing body, without prior approval of the
26 electors, which the city is authorized by its charter to issue as
27 part of its budget system, to an amount that in any year, together
28 with the ad valorem taxes levied for the same year, exclusive of
29 debt service taxes or taxes levied pursuant to other laws, will not

1 exceed 2-1/2% of the assessed value of the real and personal
2 property in the city, this limitation to supersede and take the
3 place of any contrary language in any existing city charter. For
4 the purposes of this subdivision only, the assessed value of real
5 and personal property in any city ~~shall include~~ **includes** the
6 assessed value equivalent of money received during the city's
7 fiscal year under the Glenn Steil state revenue sharing act of
8 1971, 1971 PA 140, MCL 141.901 to 141.921. The assessed value
9 equivalent ~~shall~~ **must** be calculated by dividing the money received
10 by the city's millage rate for the fiscal year. Notwithstanding the
11 former provisions of this subdivision requiring approval by 3/5 of
12 the electors voting on the question as a prerequisite to the
13 exercise of certain powers, these powers may be exercised if
14 approved by a majority of the electors voting on the question at a
15 general or special election held on or after April 1, 1966.

16 (f) To make a contract with, or give an official position to,
17 one who is in default to the city.

18 (g) To issue bonds without providing a sinking fund to pay
19 them at maturity, except as provided in section 4g(1), but sinking
20 funds ~~shall~~ **must** not be required in the case of serial bonds that
21 fall due annually. Bonds, whether authorized under this act or any
22 other act, except refunding bonds, revenue bonds, motor vehicle
23 highway fund bonds, rehabilitation bonds, judgment bonds, bonds or
24 other obligations issued to fund an operating deficit of a city,
25 bonds or other obligations to pay premiums or to establish funds to
26 self-insure for losses as authorized by the revised municipal
27 finance act, 2001 PA 34, MCL 141.2101 to 141.2821, bonds the
28 issuance of which has been approved by the voters, and bonds issued
29 to comply with an order of a court of competent jurisdiction ~~shall~~

must not be issued by a city unless notice of the issuance of the bonds is published once in a newspaper of general circulation in the city at least 45 days before the issuance of the bonds, within which period a petition may be filed with the legislative body signed by not less than 10% or 15,000 of the registered electors in the city, whichever is less, in which event the legislative body shall submit the question of the issuance of the bonds to the electors of the city, at a regular or special election in the city.

The bonds ~~shall~~**must** not be issued unless a majority vote of the electors voting on the issuance vote in favor of issuing the bonds. The notice of intent to issue bonds ~~shall~~**must** state the maximum amount of the bond issue, the purpose of the bond issuance, source of payment, right of referendum on the issuance of the bonds, and other information as the legislative body determines to be necessary to adequately inform the electors and all other interested persons of the nature of the issue and of their rights with respect to the issue.

(h) To repudiate a debt by a change in its charter or by consolidation with any other municipality.

(i) To submit a franchise to the electors at a special election, unless the expense of holding the election, as determined by the legislative body, is paid in advance to the city treasurer by the grantee in the franchise.

(2) Beginning on ~~the effective date of the amendatory act that added this subsection,~~ **September 13, 2011**, a city shall not adopt a city charter or ordinance that includes any minimum staffing requirement for city employees. Except as otherwise provided in this subsection, any provision in a city charter or ordinance adopted on or after ~~the effective date of the amendatory act that~~

1 ~~added this subsection~~ **September 13, 2011** that contains a minimum
2 staffing requirement for city employees is void and unenforceable.

3 (3) Beginning on the effective date of the amendatory act that
4 added this subsection, a city shall not adopt a charter amendment
5 proposed by initiatory petition that does either of the following:

6 (a) Authorizes or provides for the number of marihuana
7 facilities or marihuana establishments that may operate within the
8 city under the Michigan medical marihuana facilities licensing act,
9 2016 PA 281, MCL 333.27101 to 333.27801, or the Michigan Regulation
10 and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to
11 333.27967.

12 (b) Directs the legislative body of the city to adopt an
13 ordinance that authorizes or provides for the number of marihuana
14 facilities or marihuana establishments that may operate within the
15 city under the Michigan medical marihuana facilities licensing act,
16 2016 PA 281, MCL 333.27101 to 333.27801, or the Michigan Regulation
17 and Taxation of Marihuana Act, 2018 IL 1, MCL 333.27951 to
18 333.27967.

19 (4) The city clerk shall certify as insufficient any
20 initiatory petition that proposes a charter amendment prohibited
21 under subsection (3), and any proposed charter amendment prohibited
22 under subsection (3) must not be submitted to the electors of the
23 city.