



HOUSE BILL No. 6043

September 28, 2000, Introduced by Reps. Gosselin, Vear, Ehardt, Bradstreet and Bishop and referred to the Committee on Local Government and Urban Policy.

A bill to amend 1909 PA 279, entitled
"The home rule city act,"
by amending section 5 (MCL 117.5), as amended by 1988 PA 268.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. A city does not have power:

2 (a) To increase the rate of taxation now fixed by law,
3 unless the authority to do so is given by a majority of the elec-
4 tors of the city voting at the election at which the proposition
5 is submitted, but the increase in any case shall not ~~be such as~~
6 ~~to~~ cause the rate to exceed 2%, except as provided by law, of
7 the assessed value of the real and personal property in the
8 city.

9 (b) To submit to the electors a charter more often than once
10 in every 2 years, nor unless the charter is filed with the city
11 clerk 60 days before the election, but this provision ~~shall~~

1 DOES not apply to the submission and resubmission of charters of
2 cities ~~which~~ THAT may be incorporated under this act until they
3 ~~shall~~ have first adopted a charter. ~~Where~~ IF a city submits
4 to the electors a charter and the charter is adopted by the elec-
5 tors, and the city has operated under the charter, which charter
6 has not, at the time it is adopted, been on file with the city
7 clerk 60 days, then the legislative body of the city, ~~upon its~~
8 AFTER giving the notice of election as provided in the charter,
9 may resubmit THE CHARTER to the electors, at a special or general
10 election. ~~, the charter, which, if~~ IF THE CHARTER IS THEN
11 adopted by the electors, IT shall be considered operative and
12 effective as of the date of the first submission and adoption.
13 The charter shall not be resubmitted unless 60 days have elapsed
14 between the date of the filing of the charter and the date of the
15 election at which the charter is resubmitted.

16 (c) To call more than 2 special elections within 1 year.
17 This prohibition does not apply to elections ~~which may be~~ THAT
18 ARE held in the submission and resubmission of charters of cities
19 ~~which~~ THAT may be incorporated under this act until they have
20 first adopted a charter, and does not apply to elections ~~which~~
21 ~~may be~~ THAT ARE held in the resubmission of a charter once
22 adopted as provided in subdivision (b).

23 (d) To decrease the salary of a municipal judge after his or
24 her election or appointment, or during the judge's term of
25 office, notwithstanding any charter provision to the contrary. ~~→~~
26 ~~nor shall the~~ THE term of a public official WHOSE OFFICE IS HELD
27 FOR A FIXED TERM SHALL NOT be shortened or extended beyond the

1 period for which the official is elected or appointed, unless he
2 or she resigns or is removed for cause. ~~, where the office is~~
3 ~~held for a fixed term.~~

4 (e) To adopt a charter or an amendment to the charter unless
5 approved by a majority of the electors voting ~~thereon~~ ON THE
6 ADOPTION; to sell a park, cemetery, or any part of a park or cem-
7 etery, except ~~where~~ IF the park is not required under an offi-
8 cial master plan of the city; to engage in a business enterprise
9 requiring an investment of money in excess of 10 cents per
10 capita; or to authorize an issue of bonds except bonds issued in
11 anticipation of the collection of taxes actually levied and
12 uncollected or for which an appropriation has been made; bonds
13 ~~which~~ THAT the city is authorized by its charter to issue as
14 part of its budget system, to an amount ~~which~~ THAT in any year,
15 together with the taxes levied for the same year, will not exceed
16 the limit of taxation authorized by law; special assessment
17 bonds; bonds for the city's portion of local improvements;
18 refunding bonds; emergency bonds; ~~as defined by this act;~~ and
19 bonds ~~which~~ THAT the legislative body is authorized by specific
20 statute to issue without vote of the electors, unless approved by
21 a majority of the electors voting ~~thereon~~ ON THE ISSUANCE at a
22 general or special election. ~~In addition to the foregoing, a~~
23 ~~city which now has, or which may hereafter have,~~ A CITY THAT HAS
24 a population of 750,000 persons or more may issue bonds, upon A
25 resolution of its governing body, without prior approval of the
26 electors, ~~which~~ THAT the city is authorized by its charter to
27 issue as part of its budget system, to an amount ~~which~~ THAT in

1 any year, together with the ad valorem taxes levied for the same
2 year, exclusive of debt service taxes or taxes levied pursuant to
3 other laws, will not exceed 2-1/2% of the assessed value of the
4 real and personal property in the city. ~~, this~~ THIS limitation
5 ~~to supersede and take~~ SUPERSEDES AND TAKES the place of any
6 contrary language in any existing city charter. ~~For the pur-~~
7 ~~poses of this subdivision only, the assessed value of real and~~
8 ~~personal property in any such city shall include the assessed~~
9 ~~value equivalent of money received during the city's fiscal year~~
10 ~~from the department of treasury pursuant to sections 134, and~~
11 ~~136(1), (2), and (3) of Act No. 228 of the Public Acts of 1975,~~
12 ~~being sections 208.134 and 208.136 of the Michigan Compiled~~
13 ~~Laws. The assessed value equivalent shall be calculated by~~
14 ~~dividing the money received by the city's millage rate for the~~
15 ~~fiscal year. Notwithstanding the former provisions of this sub-~~
16 ~~division requiring approval by 3/5 of the electors voting thereon~~
17 ~~as a prerequisite to the exercise of certain powers, these~~ THESE
18 powers may be exercised if approved by a majority of the electors
19 voting thereon at a general or special election held on or after
20 April 1, 1966.

21 (f) To make a contract with, or give an official position
22 to, ~~one~~ A PERSON who is in default to the city.

23 (g) To issue bonds without providing a sinking fund to pay
24 them at maturity, except as provided in section 4g(1), ~~but~~
25 EXCEPT THAT sinking funds ~~shall not be~~ ARE NOT required in the
26 case of serial bonds ~~which~~ THAT fall due annually. Bonds,
27 whether authorized under this act or any other act, except

1 refunding bonds, revenue bonds, motor vehicle highway fund bonds,
 2 rehabilitation bonds, judgment bonds, bonds or other obligations
 3 issued to fund an operating deficit of a city, bonds or other
 4 obligations to pay premiums or to establish funds to self-insure
 5 for losses as authorized by the municipal finance act, ~~Act~~
 6 ~~No. 202 of the Public Acts of 1943, being sections 131.1 to 139.3~~
 7 ~~of the Michigan Compiled Laws— 1943 PA 202, MCL 131.1 TO 139.3,~~
 8 bonds the issuance of which has been approved by the voters, and
 9 bonds issued to comply with an order of a court of competent
 10 jurisdiction shall not be issued by a city unless notice of the
 11 issuance of the bonds is published once in a newspaper of general
 12 circulation in the city at least 45 days before the issuance of
 13 the bonds. ~~, within which period a petition may be~~ IF, WITHIN
 14 THAT 45-DAY PERIOD, A PETITION IS filed with the legislative body
 15 THAT IS signed by not less than 10% or 15,000 of the registered
 16 electors in the city, whichever is less, ~~in which event~~ the
 17 legislative body shall submit the question of the issuance of the
 18 bonds to the electors of the city ~~,~~ at a regular or special
 19 election in the city. The bonds shall not be issued unless a
 20 majority vote of the electors voting on the issuance vote in
 21 favor of issuing the bonds. The notice of intent to issue bonds
 22 shall state the maximum amount of the bond issue, the purpose of
 23 the bond issuance, THE source of payment, THE right of referendum
 24 on the issuance of the bonds, and other information ~~as~~ THAT the
 25 legislative body OF THE CITY determines to be necessary to ade-
 26 quately inform the electors and all other interested persons of
 27 the nature of the issue and of their rights with respect to the

1 issue. If a notice of intent has been published before July 31,
2 1973 ~~—~~ in substantial compliance with this section, and the
3 referendum period formerly provided by this section has expired
4 ~~—~~ but the bonds have not been issued, the notice and the publi-
5 cation of the notice are ~~hereby validated~~ VALID and, if no
6 petition for a referendum on issuance of the bonds has been or is
7 signed and filed within the time period formerly provided by this
8 section, the bonds may be issued without submitting the proposi-
9 tion for approval to the electors, or if a petition has been or
10 is so signed and filed, the bonds may be issued if approved at an
11 election as provided in this subdivision.

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

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

18 (J) TO ADOPT AN ORDINANCE OR REGULATION THAT INTERVENES IN
19 THE AFFAIRS OF INDIVIDUALS, FAMILIES, BUSINESSES, OR TAXPAYERS
20 WITHOUT THE APPROVAL OF 2/3 OF THE MEMBERS ELECTED TO AND SERVING
21 IN THE LEGISLATIVE BODY OF THE CITY.