#### REPRINT

### HOUSE SUBSTITUTE FOR

## SENATE BILL NO. 356

(As passed the House, May 2, 2002)
(As amended by the Senate, May 9, 2002)

# 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 cities under 15,000 population; 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 certain acts and parts of acts,"

by amending section 1 (MCL 41.801), as amended by 1998 PA 545.

# THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 1. (1) The township board of a township, or the
 2township boards of adjoining townships acting jointly, whether or
 3not the townships are located in the same county, may purchase

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2.

1 police and fire motor vehicles, apparatus, equipment, and housing 2 and for that purpose may provide by resolution for the appropria-3tion of general or contingent funds. Before January 1, 1999, the 4appropriation for fire motor vehicles, apparatus, equipment, and 5housing in a 1-year period shall not exceed 10 mills of the 6assessed valuation of the area in their respective townships for 7which fire protection is to be furnished. After December 31, 81998, the appropriation for fire motor vehicles, apparatus, 9equipment, and housing in a 1-year period shall not exceed 10 10 mills of the taxable value of the area in their respective town-11ships for which fire protection is to be furnished. Before 12 January 1, 1999, the appropriation for police motor vehicles, 13apparatus, equipment, and housing in a 1-year period shall not 14 exceed 10 mills of the assessed valuation of the area in their 15 respective townships for which police protection is to be 16 furnished. After December 31, 1998, the appropriation for police 17motor vehicles, apparatus, equipment, and housing in a 1-year 18period shall not exceed 10 mills of the taxable value of the area 19 in their respective townships for which police protection is to 20be furnished.

- 21 (2) The township board of a township, or the township boards
  22of adjoining townships acting jointly, whether or not the town23ships are located in the same county, may provide annually by
  24resolution for the appropriation of general or contingent funds
  25for maintenance and operation of police and fire departments.
- 26 (3) The township board, or the township boards of adjoining 27townships acting jointly, may provide that the sums prescribed in

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1subsection (2) for purchasing and housing equipment, for the
2operation of the equipment, or both, may be defrayed by special
3assessment on the lands and premises in the township or townships
4to be benefited, EXCEPT, BEGINNING IN 2002, LANDS AND PREMISES EXEMPT FROM
THE COL-

5LECTION OF TAXES UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA 206, 6MCL 211.1 TO 211.157, and may issue bonds in anticipation of the 7collection of these special assessments. The question of raising 8money by special assessment may be submitted to the electors of 9the township or townships by the township board, or township 10boards acting jointly, at a general election or special election 11called for that purpose by the township board or township 12boards. The question of raising money by special assessment 13shall be submitted by the township board, or township boards 14acting jointly, if in the affected township, or in each of the 15affected townships, the owners of 10% of the land to be made into 16a special assessment district petition the township board or 17boards.

18 (4) If a special assessment district is proposed under sub19section (3), the township board, or township boards acting joint20ly, shall estimate the cost and expenses of the police and fire
21motor vehicles, apparatus, equipment, and housing and police and
22fire protection, and fix a day for a hearing on the estimate and
23on the question of creating a special assessment district and
24defraying the expenses of the special assessment district by spe25cial assessment on the property to be especially benefited,
26EXCEPT, BEGINNING IN 2002, PROPERTY EXEMPT FROM THE COLLECTION OF TAXES
UNDER THE

27GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.157. The

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Senate Bill No. 356 as amended May 9, 2002 4 1 hearing shall be a public meeting held in compliance with the 2open meetings act, 1976 PA 267, MCL 15.261 to 15.275. Public 3 notice of the time, date, and place of the meeting shall be given 4in the manner required by the open meetings act, 1976 PA 267, 5MCL 15.261 to 15.275. In addition, the township board, or town-6ship boards acting jointly, shall publish in a newspaper of gen-7eral circulation in the proposed district a notice stating the 8time, place, and purpose of the meeting. If there is not a news-9paper of general circulation in the proposed district, notices 10 shall be posted in not less than 3 of the most public places in 11the proposed district. This notice shall be published or posted 12 not less than 5 days before the hearing. On the day appointed 13 for the hearing, the township board, or township boards acting 14jointly, shall be in session to hear objections that may be 15 offered against the estimate and the creation of the special 16 assessment district. Before January 1, 1999, if the township 17board, or township boards acting jointly, determine to create a 18 special assessment district, they shall determine the boundaries 19by resolution, determine the amount of the special assessment 20levy, and direct the supervisor or supervisors to spread the 21assessment levy on all of the lands and premises in the district 22 that are to be especially benefited by the police and fire pro-23tection, according to benefits received, EXCEPT, BEGINNING IN 2002, LANDS 24PREMISES EXEMPT FROM THE COLLECTION OF TAXES UNDER THE GENERAL **25**PROPERTY TAX ACT, 1893 PA 206, MCL 211.1 TO 211.157, to defray 26the expenses of police and fire protection. After December 31, 271998, if the township board, or township boards acting jointly,

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1determine to create a special assessment district, they shall 2determine the boundaries by resolution, determine the amount of 3the special assessment levy, and direct the supervisor or super-4visors to spread the assessment levy on the taxable value of all 5of the lands and premises in the district that are to be espe-6cially benefited by the police and fire protection, according to

7benefits received, EXCEPT, BEGINNING IN 2002, LANDS AND PREMISES EXEMPT FROM THE COL-8LECTION OF TAXES UNDER THE GENERAL PROPERTY TAX ACT, 1893 PA 206,

9MCL 211.1 TO 211.157, to defray the expenses of police and fire 10 protection. The township board, or township boards acting joint-11 ly, shall hold a hearing on objections to the distribution of the 12special assessment levy. This hearing shall be held in the same 13 manner and with the same notice as provided in this section. 14 township board, or township boards acting jointly, shall annually 15determine the amount to be assessed in the district for police 16 and fire protection, shall direct the supervisor or supervisors 17to distribute the special assessment levy, and shall hold a hear-18ing on the estimated costs and expenses of police and fire pro-19 tection and on the distribution of the levy. The assessment may 20be made either in a special assessment roll or in a column pro-21 vided in the regular tax roll. The assessment shall be distrib-22uted and shall become due and be collected at the same time as 23 other township taxes are assessed, levied, and collected, and 24 shall be returned in the same manner for nonpayment. However, 25if IF A TOWNSHIP HAS A JULY PROPERTY TAX LEVY, NOT MORE THAN 262 MILLS OF THE ASSESSMENT MAY BE COLLECTED AT THE SAME TIME AND 27IN THE SAME MANNER AS THE JULY LEVY. IF the collections received

- 1from the special assessment levied to defray the cost or portion
  2intended to be defrayed for police and fire protection are, at
  3any time, insufficient to meet the obligations or expenses
  4incurred for the maintenance and operation of the police and fire
  5departments, the township board of the township, or township
  6boards acting jointly, may, by resolution, authorize the transfer
  7or loan of sufficient money from the general fund of the township
  8or townships, to the special assessment police and fire depart9ment fund. This money shall be repaid to the general fund of the
  10township or townships out of special assessment funds when
  11collected.
- 12 (5) The powers granted by this act with respect to police 13and fire protection may be exercised with respect to police pro-14tection alone, fire protection alone, or police and fire protec-15tion in combination.
- 16 (6) After December 31, 1998, an ad valorem special assess-17ment levied under this act shall be levied on the taxable value 18of the property assessed.
- 19 (7) As used in this section, "taxable value" means that
  20value determined under section 27a of the general property tax
  21act, 1893 PA 206, MCL 211.27a.
- 23 (8) If the levy of an ad valorem special assessment on the 23property's taxable value is found to be invalid by a court of 24competent jurisdiction, the levy of the ad valorem special 25assessment shall be levied on the property's state equalized 26value.

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1 (9) BONDS ISSUED UNDER THIS ACT ARE SUBJECT TO THE REVISED 2MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO 141.2821.