



Senate Fiscal Agency
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BILL ANALYSIS

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House Bill 5553 (Substitute H-1 as reported without amendment)

Sponsor: Representative Joe Hune

House Committee: Local Government and Urban Policy

Senate Committee: Local, Urban and State Affairs

CONTENT

The bill would amend Public Act 57 of 1988, which allows municipalities to incorporate emergency services authorities, to permit an authority to adopt ordinances that would allow it to assess fees on property owners or occupants who received emergency services, subject to rescission by one-third of the affected municipalities.

Under the Act, two or more municipalities (counties, cities, villages, and townships) may incorporate an authority to provide emergency services to the municipalities. Emergency services include fire protection services, emergency medical services, police protection, and any other emergency health or safety services designated in an authority's articles of incorporation. An authority has the powers and duties specified in the Act.

Under the bill, an authority could adopt ordinances that would allow it to assess fees on owners or occupants of property who received emergency services to cover the costs of providing the services under the Act. An ordinance would have to be rescinded if, within 60 days from the date it was adopted, at least one-third of the municipalities affected by the ordinance voted to rescind it.

The Act requires an authority's articles of incorporation to state the powers, duties, and limitations of the authority and its officers. Under the bill, these would include ordinances necessary to support the authority, as allowed by the bill.

MCL 124.605 & 124.609

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would increase local unit revenue and expenditure by an unknown amount. The actual amount of the change would depend upon how many local units adopted ordinances to recover the cost of providing emergency services, as well as how much of the costs a local unit would attempt to recover. Assessment and collection of costs presumably would increase expenditures by a negligible amount, and any revenue increases would depend upon the success of any recovery activities.

The bill would have no fiscal impact on State revenue or expenditures.

Date Completed: 12-1-06

Fiscal Analyst: David Zin