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Senate Bill 307 (Substitute S-1 as reported)

Sponsor: Senator Steven Bieda

Committee: Local Government and Elections

CONTENT

The bill would amend Public Act 33 of 1951, which governs police and fire protection, to revise the definition of "qualified city".

The Act allows township boards and the boards of adjoining townships to establish and maintain police and fire departments; purchase police and fire equipment, vehicles, and housing; defray the cost by special assessment, with voter approval; and take other authorized actions. The Act specifies that any reference to townships applies to townships, incorporated villages, and qualified cities; and any reference to township boards applies to township boards and the legislative bodies of incorporated villages and qualified cities

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 located in a county with a population of more than 200,000 and less than 235,000, if the question of raising money by special assessment and the amount of the assessment to be levied annually is approved by a majority of the electors in the special election district.

(The City of Saginaw is the only city that meets the second condition.)

With regard to a city with a population of at least 15,000, the bill would eliminate the upper limit of 70,000 as well as the reference to the county population; thus, any city with a population of at least 15,000 that complied with the special assessment provisions would be a "qualified city".

MCL 41.810 Legislative Analyst: Julie Cassidy

FISCAL IMPACT

The bill would alter the definition of "qualified city" to include a greater number of cities. Although Saginaw is the only city that meets the criteria for a city with a population of 15,000 or more, the city is close to no longer qualifying under the statute because the population of Saginaw County fell to 200,169 in the 2010 Census. Under the bill, approximately 278 additional communities could potentially meet the definition of qualified city. Whether the bill would increase local unit revenue in those additional communities would depend on whether they approved the special assessment allowed under the Act, and the actual amount of revenue would depend on the specifics of the millage rate and property included in the special assessment district.

Date Completed: 10-4-13 Fiscal Analyst: David Zin