

HOUSE BILL No. 6043

December 2, 2014, Introduced by Rep. Schor and referred to the Committee on Local Government.

A bill to amend 1909 PA 279, entitled "The home rule city act," by amending sections 3, 4g, 5, 5e, 10, and 15 (MCL 117.3, 117.4g, 117.5, 117.5e, 117.10, and 117.15), section 3 as amended by 2012 PA 7 and section 5 as amended by 2011 PA 133.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. Each city charter shall provide for all of the
2 following:

3 (a) The election of a mayor, who shall be the chief executive
4 officer of the city, and of a body vested with legislative power,
5 and for the election or appointment of a clerk, a treasurer, an
6 assessor or board of assessors, a board of review, and other
7 officers considered necessary. The city charter may provide for the
8 selection of the mayor by the legislative body. Elections may be by

1 a partisan, nonpartisan, or preferential ballot, or by any other
2 legal method of voting. Notwithstanding another law or charter
3 provision to the contrary, a city having a 1970 official population
4 of more than 150,000, whose charter provides for terms of office of
5 less than 4 years, and in which the term of office for the mayor
6 and the governing body are of the same length, may provide by
7 ordinance for a term of office of up to 4 years for mayor and other
8 elected city officials. The ordinance shall provide that the
9 ordinance shall take effect 60 days after it is enacted unless
10 within the 60 days a petition is submitted to the city clerk signed
11 by not less than 10% of the registered electors of the city
12 requesting that the question of approval of the ordinance be
13 submitted to the electors at the next regular election or a special
14 election called for the purpose of approving or disapproving the
15 ordinance.

16 (b) The nomination of elective officers by partisan or
17 nonpartisan primary, by petition, or by convention.

18 (c) The time, manner, and means of holding elections and the
19 registration of electors, subject to section 26 and other
20 applicable requirements of law.

21 (d) The qualifications, duties, and compensation of the city's
22 officers. If the city has an appointed chief administrative
23 officer, the legislative body of the city may enter into an
24 employment contract with the chief administrative officer extending
25 beyond the terms of the members of the legislative body unless the
26 employment contract is prohibited by the city charter. An
27 employment contract with a chief administrative officer shall be in

1 writing and shall specify the compensation to be paid to the chief
2 administrative officer, any procedure for changing the
3 compensation, any fringe benefits, and other conditions of
4 employment. The contract shall state if the chief administrative
5 officer serves at the pleasure of the legislative body, and the
6 contract may provide for severance pay or other benefits in the
7 event the chief administrative officer's employment is terminated
8 at the pleasure of the legislative body.

9 (e) The establishment of 1 or more wards, and if the members
10 of the city's legislative body are chosen by wards, for equal
11 representation for each ward in the legislative body.

12 (f) That the subjects of taxation for municipal purposes are
13 the same as for state, county, and school purposes under the
14 general law.

15 (g) The annual laying and collecting taxes in a sum, except as
16 otherwise provided by law, not to exceed 2% of the taxable value of
17 the real and personal property in the city. Unless the charter
18 provides for a different tax rate limitation, the governing body of
19 a city may levy and collect taxes for municipal purposes in a sum
20 not to exceed 1% of the taxable value of the real and personal
21 property in the city. As used in this subdivision, "taxable value"
22 is that value determined under section 27a of the general property
23 tax act, 1893 PA 206, MCL 211.27a.

24 (h) An annual appropriation of money for municipal purposes.

25 (i) The levy, collection, and return of state, county, and
26 school taxes in conformance with the general laws of this state,
27 except that the preparation of the assessment roll, the meeting of

1 the board of review, and the confirmation of the assessment roll
2 may be at the times provided in the city charter.

3 (j) The public peace and health and for the safety of persons
4 and property. In providing for the public peace, health, and
5 safety, a city may expend funds or enter into contracts with a
6 private organization, the federal or state government, a county,
7 village, or township, or another city for services considered
8 necessary by the legislative body. Public peace, health, and safety
9 services may include the operation of child guidance and community
10 mental health clinics, the prevention, counseling, and treatment of
11 developmental disabilities, the prevention of drug abuse, and the
12 counseling and treatment of drug abusers.

13 (k) ~~Adopting, BEFORE JANUARY 1, 2015, ADOPTING,~~ continuing,
14 amending, and repealing the city ordinances and for the publication
15 of each ordinance before it becomes operative. ~~Whether BEFORE~~
16 **JANUARY 1, 2015, WHETHER** or not provided in its charter, instead of
17 publishing a true copy of an ordinance before it becomes operative,
18 the city may publish a summary of the ordinance. ~~If BEFORE JANUARY~~
19 **1, 2015, IF** the city publishes a summary of the ordinance, the city
20 shall include in the publication the designation of a location in
21 the city where a true copy of the ordinance can be inspected or
22 obtained. **BEGINNING JANUARY 1, 2015, EACH CITY CHARTER SHALL**
23 **PROVIDE FOR ADOPTING, CONTINUING, AMENDING, AND REPEALING THE CITY**
24 **ORDINANCES AND FOR PROVIDING TIER B PUBLIC NOTICE WITH A LINK OF**
25 **EACH ORDINANCE BEFORE IT BECOMES OPERATIVE AS SET FORTH IN THE**
26 **LOCAL GOVERNMENT PUBLIC NOTICE ACT.** A charter provision to the
27 contrary notwithstanding, a city may adopt an ordinance punishable

1 by imprisonment for not more than 93 days or a fine of not more
2 than \$500.00, or both, if the violation substantially corresponds
3 to a violation of state law that is a misdemeanor for which the
4 maximum period of imprisonment is 93 days. Whether or not provided
5 in its charter, a city may adopt a provision of a state statute for
6 which the maximum period of imprisonment is 93 days or the Michigan
7 vehicle code, 1949 PA 300, MCL 257.1 to 257.923. Except as
8 otherwise provided under the Stille-DeRossett-Hale single state
9 construction code act, 1972 PA 230, MCL 125.1501 to 125.1531, a
10 city may adopt a law, code, or rule that has been promulgated and
11 adopted by an authorized agency of this state pertaining to fire,
12 fire hazards, fire prevention, or fire waste, and a fire prevention
13 code, plumbing code, heating code, electrical code, building code,
14 refrigeration machinery code, piping code, boiler code, boiler
15 operation code, elevator machinery code, an international property
16 maintenance code, or a code pertaining to flammable liquids and
17 gases or hazardous chemicals, that has been promulgated or adopted
18 by this state, by a department, board, or other agency of this
19 state, or by an organization or association that is organized and
20 conducted for the purpose of developing the code, by reference to
21 the law, code, or rule in an adopting ordinance and without
22 publishing **OR POSTING** the law, code, or rule in full. The law,
23 code, or rule shall be clearly identified in the ordinance and its
24 purpose shall be published **OR POSTED** with the adopting ordinance.
25 Printed copies of the law, code, or rule shall be kept in the
26 office of the city clerk, available for inspection by, and
27 distribution to, the public at all times. The publication **OR**

1 **POSTING** shall contain a notice stating that a complete copy of the
2 law, code, or rule is made available to the public at the office of
3 the city clerk in compliance with state law requiring that records
4 of public bodies be made available to the general public. Except as
5 otherwise provided in this subdivision, a city shall not enforce a
6 provision adopted by reference for which the maximum period of
7 imprisonment is greater than 93 days. A city may adopt section
8 625(1)(c) of the Michigan vehicle code, 1949 PA 300, MCL 257.625,
9 by reference in an adopting ordinance and shall provide that a
10 violation of that ordinance is punishable by 1 or more of the
11 following:

12 (i) Community service for not more than 360 hours.

13 (ii) Imprisonment for not more than 180 days.

14 (iii) A fine of not less than \$200.00 or more than \$700.00.

15 (l) That the business of the legislative body shall be
16 conducted at a public meeting held in compliance with the open
17 meetings act, 1976 PA 267, MCL 15.261 to 15.275. All records of the
18 municipality shall be made available to the general public in
19 compliance with the freedom of information act, 1976 PA 442, MCL
20 15.231 to 15.246.

21 (m) Keeping in the English language a written or printed
22 journal of each session of the legislative body.

23 (n) A system of accounts that conforms to a uniform system of
24 accounts as required by law.

25 Sec. ~~4-g.~~ **4G.** Each city may in its charter provide:

26 (1) For the acquisition by construction, condemnation, or
27 purchase and for the ownership, equipment, possession, leasing,

1 operation, and maintenance of a rapid transit system consisting of
2 a tunnel, subway, surface, or elevated system, or any combination
3 and qualification of these, in and through ~~said~~**THE** city, and for a
4 distance of not more than 10 miles beyond its limits, for the
5 purpose of furnishing transportation facilities to the municipality
6 and to the people thereof;**OF THE MUNICIPALITY;** for the preparation
7 and publication of plans for ~~such~~**THE** construction, equipment, and
8 maintenance in accordance with charter provisions adopted
9 hereunder;**UNDER THIS SECTION;** for the operation of ~~such~~**THE**
10 facilities independently or in connection with other transportation
11 facilities, or **A** transportation system, owned, operated, or
12 controlled by ~~such~~**THE** city or existing therein;**IN THE CITY,** or in
13 the territory in which any ~~such~~**THE** rapid transit system is
14 established; for the appropriate designation of ~~such~~**THE**
15 facilities; for the taking of the fee of or easement or right of
16 way on, under, above, and through any property for the purposes
17 thereof, by gift, grant, and purchase, and by condemnation
18 proceedings in accordance with any law of ~~the~~**THIS** state of
19 Michigan providing therefor; and for the management of ~~such~~**THE**
20 facilities, ~~for~~ for the purposes for which the same are or may be
21 acquired or constructed. Provision may also be made for the
22 execution of contracts incidental to the carrying out of the
23 purposes ~~hereby~~ contemplated. ~~In the event that~~**IF** property is
24 taken by condemnation under any statute, ~~pertaining thereto,~~ the
25 actual benefits accruing to or received by a remainder of ~~any~~ ~~such~~
26 **THAT** parcel on account of the construction of the improvement shall
27 be taken into account in determining the damages to be awarded by

1 way of compensation to the owner or owners of ~~such~~**THE** property.
2 The charter shall also provide for the proper financing of the
3 acquisition and construction of any ~~such~~**RAPID TRANSIT** system and
4 facilities by direct taxation, special assessments on the basis of
5 benefits actually and exclusively received by property affected by
6 any ~~such~~ improvement, or by borrowing money and issuing bonds or
7 other evidence of indebtedness therefor, or by a combination of
8 ~~such~~**THESE** methods; and for the defraying of the cost of
9 maintenance, operation, and management of ~~such~~**THESE** facilities and
10 for payment of interest on and a sinking fund to retire any bonds
11 issued under this subsection, from the revenues received as a
12 result of the operation ~~thereof~~**OF THE RAPID TRANSIT SYSTEM** by the
13 city. Bonds executed and sold for the purpose of raising money to
14 cover the cost of ~~such~~**THE** acquisition and construction may be
15 issued on the faith and credit of the city or same may be secured
16 by mortgage on the property and revenues of the utility established
17 ~~pursuant hereto.~~**UNDER THIS SECTION.** The aggregate amount of bonds
18 issued on the faith and credit of the city under this subsection
19 shall not exceed ~~2 per cent~~**2%** of the assessed valuation of the
20 taxable property within ~~said~~**THE** city for the preceding fiscal
21 year; and in computing the total indebtedness of the city for the
22 purpose of determining whether any other limitation prescribed by
23 law has been exceeded, ~~such~~**THE** bonds shall not be included. Except
24 as ~~is in this subsection~~ otherwise specifically provided **IN THIS**
25 **SUBSECTION**, all bonds issued by a city for the purposes ~~hereby~~
26 contemplated ~~shall be~~**ARE** subject to the restrictions and
27 conditions prescribed in section ~~4-a of this act.~~ In case ~~4A.~~ **IF A**

1 provision is made in the charter for raising money by direct
 2 taxation for the purposes ~~hereof,~~ **OF THIS SECTION**, the amount of
 3 ~~such~~ **THE** tax levied and assessed in any year shall not exceed 1/6
 4 of ~~1 per cent~~ **1%** of the assessed valuation of the city for ~~such~~
 5 **THAT** year; and the amount of any such tax shall not be subject to
 6 any other limitations prescribed by law ~~,~~ or considered in
 7 determining whether any such limitation has been exceeded. ~~In no~~
 8 ~~case shall~~ **NOT** more than ~~60 per cent~~ **60%** of the total estimated
 9 cost of acquiring or constructing any ~~such~~ rapid transit system or
 10 portion of extension ~~thereof,~~ **OF ANY RAPID TRANSIT SYSTEM SHALL** be
 11 raised by direct taxation, and by ~~the issuance of~~ **ISSUING** bonds on
 12 the faith and credit of the city. As incidental to the authority
 13 hereby granted, provision may be made in any city charter for the
 14 exercise of powers incidental to the accomplishment of the purposes
 15 ~~hereof,~~ **OF THIS SECTION**, and reasonably calculated and designed to
 16 facilitate the furnishing of adequate transportation facilities by
 17 the means ~~aforsaid~~ **PROVIDED IN THIS SECTION** to the municipality
 18 and the people ~~thereof.~~ **OF THE MUNICIPALITY. BEFORE JANUARY 1,**
 19 **2015, A** charter amendment or amendments, contemplating and
 20 providing for the exercise of the powers referred to in this
 21 subsection, shall **NOT** be submitted to a vote of the electors unless
 22 and until the ~~same shall~~ **CHARTER AMENDMENT OR AMENDMENTS** have been
 23 published pursuant to the direction of the legislative body of the
 24 city ~~,~~ in at least 1 newspaper having a general circulation in ~~such~~
 25 **THE** city at least once each week for 3 weeks in succession during
 26 the 30-day period immediately ~~preceding~~ **BEFORE** the date of the
 27 election. ~~,~~ ~~and no~~ **BEGINNING JANUARY 1, 2015, A CHARTER AMENDMENT**

1 OR AMENDMENTS, CONTEMPLATING AND PROVIDING FOR THE EXERCISE OF THE
2 POWERS REFERRED TO IN THIS SUBSECTION, SHALL NOT BE SUBMITTED TO A
3 VOTE OF THE ELECTORS UNLESS AND UNTIL TIER A PUBLIC NOTICE WITH A
4 LINK OF THE CHARTER AMENDMENT OR AMENDMENTS IS PROVIDED AS SET
5 FORTH IN THE LOCAL GOVERNMENT PUBLIC NOTICE ACT DURING THE 30-DAY
6 PERIOD IMMEDIATELY BEFORE THE DATE OF THE ELECTION. A plan for
7 construction and operation of any rapid transit system shall NOT be
8 put into effect unless the ~~same~~ PLAN shall first have been
9 submitted to the qualified electors of the city and approved
10 ~~thereby. Such~~ BY THE ELECTORS OF THE CITY. THE submission of THE
11 plan shall be made ~~subsequent to~~ AFTER the enactment of ~~said~~ THE
12 charter amendments either at a general election or a special
13 election called for that purpose by the legislative body of the
14 city. ~~Such~~ BEFORE JANUARY 1, 2015, THE contemplated plan shall,
15 before its submission, and as a condition prerequisite ~~thereto,~~ TO
16 ITS SUBMISSION, be published once each week for 6 weeks in
17 succession in some daily newspaper having a general circulation
18 within the city, during the 60-day period immediately ~~preceeding~~
19 BEFORE the date of submission to the electors. ~~and the~~ BEGINNING
20 JANUARY 1, 2015, DURING THE 60-DAY PERIOD IMMEDIATELY BEFORE THE
21 DATE OF SUBMISSION TO THE ELECTORS, TIER A PUBLIC NOTICE WITH A
22 LINK OF THE CONTEMPLATED PLAN SHALL, BEFORE ITS SUBMISSION, AND AS
23 A CONDITION PREREQUISITE TO ITS SUBMISSION, BE PROVIDED AS SET
24 FORTH IN THE LOCAL GOVERNMENT PUBLIC NOTICE ACT. THE contemplated
25 plan as ~~se~~ published OR POSTED shall specify the route or routes of
26 the proposed rapid transit system, the type of construction
27 proposed for the various sections or parts ~~thereof,~~ OF THE PROPOSED

1 **RAPID TRANSIT SYSTEM**, the method or methods for financing the
 2 improvement, the order in which the various sections or parts are
 3 to be constructed or acquired, the system of management to be
 4 adopted, the estimated cost of the various sections or parts of the
 5 system, and ~~such~~ **ANY** other matters ~~as~~ the legislative body of the
 6 city ~~shall require: Provided, however, That~~ **REQUIRES. HOWEVER**, the
 7 financial plan ~~so~~ submitted shall not permit special assessments
 8 against any property in excess of actual benefits, meaning
 9 increased value, accruing exclusively as a result of ~~said~~ **THE**
 10 improvement; and the payment of ~~such~~ special assessments made under
 11 this subsection ~~,~~ shall be prorated over a period of not less than
 12 10 years.

13 (2) For negotiating, executing, and performing contracts with
 14 any other municipality or municipalities, duly authorized and
 15 empowered to that end, with reference to the construction,
 16 equipment, operation, maintenance, and management of a rapid
 17 transit system and facilities, and for the financing of any
 18 obligations, assumed under or imposed by any ~~such~~ contract. The
 19 grants, limitations, and restrictions set forth in ~~the preceding~~
 20 ~~subsection of this section shall be deemed~~ **SUBSECTION (1) ARE**
 21 **CONSIDERED** applicable to ~~,~~ and shall be observed in the adoption of
 22 ~~,~~ charter provisions and amendments ~~hereunder~~ **UNDER THIS SECTION**
 23 and in the exercise of the authority ~~hereby~~ granted.

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

26 (a) To increase the rate of taxation now fixed by law, unless
 27 the authority to do so is given by a majority of the electors of

1 the city voting at the election at which the proposition is
2 submitted, but the increase in any case shall not be in an amount
3 as to cause the rate to exceed 2%, except as provided by law, of
4 the assessed value of the real and personal property in the city.

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

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

1 (b) .

2 (d) To decrease the salary of a municipal judge after his or
3 her election or appointment, or during the judge's term of office,
4 notwithstanding any charter provision to the contrary. The term of
5 a public official shall not be shortened or extended beyond the
6 period for which the official is elected or appointed, unless he or
7 she resigns or is removed for cause, if the office is held for a
8 fixed term.

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

1 resolution of its governing body, without prior approval of the
2 electors, which the city is authorized by its charter to issue as
3 part of its budget system, to an amount that in any year, together
4 with the ad valorem taxes levied for the same year, exclusive of
5 debt service taxes or taxes levied pursuant to other laws, will not
6 exceed 2-1/2% of the assessed value of the real and personal
7 property in the city, this limitation to supersede and take the
8 place of any contrary language in any existing city charter. For
9 the purposes of this subdivision only, the assessed value of real
10 and personal property in any city shall include the assessed value
11 equivalent of money received during the city's fiscal year under
12 the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL
13 141.901 to 141.921. The assessed value equivalent shall be
14 calculated by dividing the money received by the city's millage
15 rate for the fiscal year. Notwithstanding the former provisions of
16 this subdivision requiring approval by 3/5 of the electors voting
17 on the question as a prerequisite to the exercise of certain
18 powers, these powers may be exercised if approved by a majority of
19 the electors voting on the question at a general or special
20 election held on or after April 1, 1966.

21 (f) To make a contract with, or give an official position to,
22 one 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 sinking
25 funds shall not be required in the case of serial bonds that fall
26 due annually. ~~Bonds,~~ **BEFORE JANUARY 1, 2015, BONDS,** whether
27 authorized under this act or any other act, except refunding bonds,

1 revenue bonds, motor vehicle highway fund bonds, rehabilitation
2 bonds, judgment bonds, bonds or other obligations issued to fund an
3 operating deficit of a city, bonds or other obligations to pay
4 premiums or to establish funds to self-insure for losses as
5 authorized by the revised municipal finance act, 2001 PA 34, MCL
6 141.2101 to 141.2821, bonds the issuance of which has been approved
7 by the voters, and bonds issued to comply with an order of a court
8 of competent jurisdiction shall not be issued by a city unless
9 notice of the issuance of the bonds is published once in a
10 newspaper of general circulation in the city at least 45 days
11 before ~~the issuance of~~ **ISSUING** the bonds, within which period a
12 petition may be filed with the legislative body signed by not less
13 than 10% or 15,000 of the registered electors in the city,
14 whichever is less, in which event the legislative body shall submit
15 the question of ~~the issuance of~~ **ISSUING** the bonds to the electors
16 of the city ~~at~~ a regular or special election in the city.

17 **BEGINNING JANUARY 1, 2015, BONDS, WHETHER AUTHORIZED UNDER THIS ACT**
18 **OR ANY OTHER ACT, EXCEPT REFUNDING BONDS, REVENUE BONDS, MOTOR**
19 **VEHICLE HIGHWAY FUND BONDS, REHABILITATION BONDS, JUDGMENT BONDS,**
20 **BONDS OR OTHER OBLIGATIONS ISSUED TO FUND AN OPERATING DEFICIT OF A**
21 **CITY, BONDS OR OTHER OBLIGATIONS TO PAY PREMIUMS OR TO ESTABLISH**
22 **FUNDS TO SELF-INSURE FOR LOSSES AS AUTHORIZED BY THE REVISED**
23 **MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO 141.2821, BONDS**
24 **THE ISSUANCE OF WHICH HAS BEEN APPROVED BY THE VOTERS, AND BONDS**
25 **ISSUED TO COMPLY WITH AN ORDER OF A COURT OF COMPETENT JURISDICTION**
26 **SHALL NOT BE ISSUED BY A CITY UNLESS TIER A PUBLIC NOTICE OF THE**
27 **ISSUANCE OF THE BONDS IS PROVIDED AS SET FORTH IN THE LOCAL**

1 GOVERNMENT PUBLIC NOTICE ACT AT LEAST 45 DAYS BEFORE ISSUING THE
2 BONDS, WITHIN WHICH PERIOD A PETITION MAY BE FILED WITH THE
3 LEGISLATIVE BODY SIGNED BY NOT LESS THAN 10% OR 15,000 OF THE
4 REGISTERED ELECTORS IN THE CITY, WHICHEVER IS LESS, IN WHICH EVENT
5 THE LEGISLATIVE BODY SHALL SUBMIT THE QUESTION OF ISSUING THE BONDS
6 TO THE ELECTORS OF THE CITY AT A REGULAR OR SPECIAL ELECTION IN THE
7 CITY. The bonds shall not be issued unless a majority vote of the
8 electors voting on the issuance vote in favor of issuing the bonds.
9 The notice of intent to issue bonds shall state the maximum amount
10 of the bond issue, the purpose of the bond issuance, source of
11 payment, right of referendum on the issuance of the bonds, and
12 other information as the legislative body determines to be
13 necessary to adequately inform the electors and all other
14 interested persons of the nature of the issue and of their rights
15 with respect to the issue.

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

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

22 (2) Beginning on ~~the effective date of the amendatory act that~~
23 ~~added this subsection,~~ **SEPTEMBER 13, 2011**, a city shall not adopt a
24 city charter or ordinance that includes any minimum staffing
25 requirement for city employees. ~~Except as otherwise provided in~~
26 ~~this subsection,~~ any **ANY** provision in a city charter or ordinance
27 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 Sec. 5e. A municipal water or sewage system established by a
4 city incorporated under this act ~~which~~ **THAT** serves more than 40% of
5 the population of the state shall:

6 (a) Be audited annually by an independent auditor designated
7 by the legislative auditor general. ~~No~~ **A** charter provision shall
8 **NOT** require an annual local audit for the same period. The auditor
9 shall be paid by the system. The results of the annual audit shall
10 be made available to the public in compliance with ~~Act No. 442 of~~
11 ~~the Public Acts of 1976, being sections 15.231 to 15.246 of the~~
12 ~~Michigan Compiled Laws.~~ **THE FREEDOM OF INFORMATION ACT, 1976 PA**
13 **442, MCL 15.231 TO 15.246.** The annual audit shall be submitted to
14 the governing body of each city, village, or township served by the
15 system and to the legislature before December 1 of each year. Each
16 city, village, or township served by the system shall be audited
17 annually by an independent auditor. The auditor shall be paid by
18 that city, village, or township served by the system. The results
19 shall be made available to the public.

20 (b) Hold at least 1 public hearing at least 120 days before a
21 proposed rate increase is scheduled to take effect. Each hearing
22 shall be conducted in compliance with ~~Act No. 267 of the Public~~
23 ~~Acts of 1976, being sections 15.261 to 15.275 of the Michigan~~
24 ~~Compiled Laws.~~ **THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO**
25 **15.275.** Notice of the time, date, and place of each hearing shall
26 be given in the manner required by ~~Act No. 267 of the Public Acts~~
27 ~~of 1976,~~ **THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.**

1 **BEFORE JANUARY 1, 2015, NOTICE OF THE TIME, DATE, AND PLACE OF EACH**
2 **HEARING** shall be prominently printed in a daily newspaper of
3 general circulation within the area, and shall be mailed to each
4 city, village, or township served by the system not less than 30
5 days before each hearing. **BEGINNING JANUARY 1, 2015, TIER A PUBLIC**
6 **NOTICE OF THE TIME, DATE, AND PLACE OF EACH HEARING SHALL BE**
7 **PROVIDED AS SET FORTH IN THE LOCAL GOVERNMENT PUBLIC NOTICE ACT,**
8 **AND NOTICE OF THE TIME, DATE, AND PLACE OF EACH HEARING SHALL BE**
9 **MAILED TO EACH CITY, VILLAGE, OR TOWNSHIP SERVED BY THE SYSTEM NOT**
10 **LESS THAN 30 DAYS BEFORE EACH HEARING.** A final vote by the
11 governing body of the city to implement a proposed rate increase
12 shall not be taken until the hearings provided for in this
13 subdivision are concluded and the results of those hearings are
14 considered by the city's governing body. This section shall not be
15 construed to impair the obligations of a contract. A city shall not
16 be required to hold a public hearing before the establishment of a
17 water or sewer rate ~~which~~ **THAT** is necessary for debt retirement
18 under outstanding bond obligations.

19 Sec. 10. The county clerk shall, within 3 days after the
20 passage of the resolution provided for in section 8, ~~of this act,~~
21 transmit a certified copy of ~~said~~ **THE** petition and of ~~such~~ **THE**
22 resolution to the clerk of each city, village, or township in the
23 district to be affected by the proposed incorporation,
24 consolidation, or change. ~~, and it shall be~~ **BEFORE JANUARY 1, 2015,**
25 **IT IS** the duty of each of ~~said~~ **THE** city, village, and township
26 clerks to give notice of the date and purpose of the election
27 provided for by ~~said~~ **THE** resolution by publication in 1 or more

1 newspapers published within ~~said~~**THE** district at least once in each
 2 week for 4 weeks ~~preceding said~~**BEFORE THE** election, and by posting
 3 a like notice in at least 10 public places in ~~said~~**THE** district not
 4 less than 10 days ~~prior to such~~**BEFORE THE** election. **BEGINNING**
 5 **JANUARY 1, 2015, IT IS THE DUTY OF EACH OF THE CITY, VILLAGE, AND**
 6 **TOWNSHIP CLERKS TO GIVE TIER A PUBLIC NOTICE OF THE DATE AND**
 7 **PURPOSE OF THE ELECTION PROVIDED FOR BY THE RESOLUTION AS SET FORTH**
 8 **IN THE LOCAL GOVERNMENT PUBLIC NOTICE ACT.**

9 Sec. 15. (1) At an election on the question of the intent to
 10 incorporate a new city, or to make a consolidation permitted by
 11 this act, each elector residing within its proposed territorial
 12 limits shall be entitled to vote for 9 electors, residing in the
 13 territory which it is proposed to incorporate or consolidate, as
 14 members of a charter commission, and the notices required by
 15 section 10 shall include notice of the election of those electors.
 16 The ballot shall be prepared by the clerk of the county in which
 17 the territory is located or if located in more than 1 county, then
 18 by the clerk of the county in which the greater portion of the
 19 territory is located. The expense of the ballot preparation is to
 20 be borne by that county. If the proposed city is incorporated as
 21 provided in this act, the county shall be reimbursed by the city at
 22 the time the charter is filed. The county clerk shall prepare the
 23 ballot to be used at the election pursuant to the ~~general election~~
 24 ~~laws of the state~~**MICHIGAN ELECTION LAW, 1954 PA 116, MCL 168.1 TO**
 25 **168.992, as follows:**

26 "For city incorporation. Yes()
 27 For city incorporation. No ()".

1 Or, if the proposition be to consolidate, the ballot shall be
2 as follows:

3 "For consolidating (naming entities) into 1 city. Yes()

4 For consolidating (naming entities) into 1 city. No ()".

5 (2) The county clerk shall also prepare a separate ballot and
6 place on the ballot, without party designation, under the heading,
7 candidates for members of the charter commission, the names of the
8 electors having the qualifications required by this act for a
9 member of the charter commission ~~who~~ who file a petition signed by 20
10 qualified electors residing in the territory proposed to be
11 incorporated ~~asking~~ asking that their names be placed on the ballot. For
12 a consolidation, the electors of each city, village, township, or
13 part of a township, proposed to be consolidated shall vote for and
14 elect the number of the 9 members of the charter commission as
15 shall be substantially in proportion to the number of registered
16 electors of the city, village, township, or part of a township,
17 according to the registration rolls of the last regular state,
18 city, or village election held in the city, village, township, or
19 part of a township, but the number to be elected in a city,
20 village, or township shall not be less than 1. The county board of
21 commissioners or the secretary of state shall determine and
22 prescribe the number of members of the charter commission to be
23 elected from each city, village, township, or part of a township in
24 the case of a consolidation, pursuant to this subsection. The
25 position of the names of the candidates upon the ballots shall be
26 interchanged as provided in the ~~general primary election law of~~
27 ~~this state.~~ **MICHIGAN ELECTION LAW, 1954 PA 116, MCL 168.1 TO**

1 168.992. The ballot shall also bear instructions directing that not
2 more than 9 candidates shall be voted for or, if the proposition is
3 to consolidate, the ballot for members of the charter commission in
4 each city, village, township, or part of a township, proposed to be
5 consolidated shall bear instructions directing that not more than
6 the number of candidates determined by the county board of
7 commissioners or the secretary of state to be elected in the city,
8 village, township, or part of a township shall be voted for. On the
9 vote being canvassed on the question of the intent to incorporate
10 or consolidate, if the result is determined to be in favor of the
11 intent to incorporate or consolidate, the board of canvassers shall
12 canvass the votes cast for members of the commission, and certify
13 the election of the 9 persons receiving the highest number of votes
14 cast. The elected members of the commission shall take the
15 constitutional oath of office, and may fill vacancies in their
16 membership. Five members shall constitute a quorum.

17 (3) The charter commission shall convene within 10 days after
18 election and frame a charter for the proposed city within 90 days
19 after the meeting. The business ~~which~~ **THAT** the charter commission
20 may perform shall be conducted at a public meeting of the
21 commission held in compliance with ~~Act No. 267 of the Public Acts~~
22 ~~of 1976.~~ **THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.**
23 Notice of the time, place, and date of the meeting shall be given
24 in the manner required by ~~Act No. 267 of the Public Acts of 1976.~~
25 **THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275.** The
26 charter commission shall choose its own officers, determine the
27 rules of its proceedings, and keep a journal. A roll call of its

1 members on a question shall be entered on the journal at the
2 request of any member. The commission shall provide the manner of
3 nominating the candidates for the first elective officers provided
4 in the proposed charter. The commission shall fix the date of the
5 first city election, and do and provide other things necessary for
6 making the nominations and holding the election. The election may
7 be held at a special election or on the same date as a general
8 election. ~~The~~ **BEFORE JANUARY 1, 2015, THE** commission shall publish
9 the proposed charter in 1 or more newspapers published in the
10 proposed city, at least once, not less than 2 weeks and not more
11 than 4 weeks ~~preceding~~ **BEFORE** the election, together with a notice
12 of the election. ~~, and that on the date fixed for the election the~~
13 ~~question of adopting the proposed charter will be voted on, and~~
14 ~~that the elective officers provided for in the charter will be~~
15 ~~elected on the same date. Notice~~ **BEFORE JANUARY 1, 2015, NOTICE** of
16 the election shall also be posted in at least 10 public places
17 within the proposed city not less than 10 days before the election.
18 **BEGINNING JANUARY 1, 2015, NOT LESS THAN 2 WEEKS AND NOT MORE THAN**
19 **4 WEEKS BEFORE THE ELECTION, TIER A PUBLIC NOTICE OF THE PROPOSED**
20 **CHARTER, TOGETHER WITH A NOTICE OF THE ELECTION, SHALL BE PROVIDED**
21 **BY THE COMMISSION AS SET FORTH IN THE LOCAL GOVERNMENT PUBLIC**
22 **NOTICE ACT.** The commission shall provide for 1 or more polling
23 places for the election, ~~and~~ **SHALL** give similar notice of their
24 location as is given of the election, and shall appoint the
25 inspectors of the election. **ON THE DATE FIXED FOR THE ELECTION, THE**
26 **QUESTION OF ADOPTING THE PROPOSED CHARTER WILL BE VOTED ON AND THE**
27 **ELECTIVE OFFICERS PROVIDED FOR IN THE CHARTER WILL BE ELECTED ON**

1 **THE SAME DATE.** The results of the election shall be canvassed by
2 the county board of canvassers.

3 Enacting section 1. This amendatory act does not take effect
4 unless House Bill No. 5560 of the 97th Legislature is enacted into
5 law.