Legislative Analysis



PROCEDURE FOR SPECIAL ASSESSMENTS TO FINANCE MOSQUITO ABATEMENT

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Phone: (517) 373-8080

House Bill 4573 (H-2) as reported from committee

Analysis available at http://www.legislature.mi.gov

Sponsor: Rep. Tim Sneller Committee: Local Government

Complete to 10-9-17

BRIEF SUMMARY:

<u>House Bill 4573</u> would allow townships to provide by ordinance a procedure to finance mosquito abatement special assessments by private contractors, either by township board resolution or petition by the citizens, or both. (Proposed MCL 41.3b)

FISCAL IMPACT:

The bill would have no fiscal impact on state or local government unless the township called for a special election to vote on the petition for a mosquito abatement special assessment district. If a special election were held, the cost to the township would be approximately \$2,000 per precinct. Presumably, any special assessment levied once a district was established would be sufficient to cover the costs of the contract for mosquito abatement services.

THE APPARENT PROBLEM:

Currently, cities with a population of more than 600,000 may provide by ordinance a procedure to finance by special assessment mosquito abatement by private contractors. A special assessment district may be established upon petition by 51% or more of landowners within the proposed district.¹

The bill is understood to provide townships with this same ability. Reportedly, Mundy Township spent \$150,000 spraying for mosquitoes throughout the township as part of a one-year trial. Other townships, including Fenton Township and Deerfield Township, have submitted the question of a mosquito control special assessment to voters, even without a foundation for that process in statute.² Proponents testified that this legislation would codify current practice.

THE CONTENT OF THE BILL:

House Bill 4573 would amend Chapter 16 of the Revised Statutes of 1846, which defines the powers and duties of townships. The bill would allow a township to provide by

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¹ MCL 117.5i. The population requirement means that this statute applies only to the city of Detroit.

² In 2016, the special assessment was approved in Fenton Township (6,986 votes to 1,547) and rejected in Deerfield Township (1,012 votes to 627).

ordinance procedures under which the township could finance mosquito abatement services by private contractors. The abatement would be financed by a special assessment. (Other special assessments include the financing of drains, sewers, roads, garbage pick-up, and street lights.)

The ordinance would authorize two procedures whereby the assessment could be levied:

- The township board could adopt a resolution to initiate the establishment of a special assessment district.
- The owners of 25% or more of landowners in the area to be made into a special assessment district could sign petitions to initiate the establishment of a special assessment district.

<u>If either or both of these occurs</u>, the township board must do one of the following:

- Submit the question of raising money for mosquito abatement by special assessment would to the township's electors residing in the proposed special assessment district at a general election or special election.
- Adopt a resolution to establish the special assessment district.

Then, if a majority of electors voting approve it, the special assessment district for mosquito abatement would be established. The district may be discontinued upon petition by 51% or more of landowners in the district.

Finally, the bill would require all proceedings related to the levying and collecting of these special assessments to be in accordance with Public Act 188 of 1954, which regulates public improvements.

DISCUSSION:

Proponents argued that, given the increased concern about mosquito-borne diseases such as West Nile Virus and Zika Virus, communities are taking steps to institute mosquito abatement programs. These programs are typically financed by the general fund; this legislation proposes to allow township boards to establish a mosquito abatement special assessment by resolution or submit the question to the citizens. A special assessment would allow township boards greater flexibility, as a dedicated fund would pay for the abatement. No one testified or voted against the bill.

POSITIONS:

A representative of the Michigan Townships Association testified in support of the bill. (9-13-17)

A representative of Mundy Township testified in support of the bill. (9-13-17) The Michigan Realtors <u>support</u> the bill. (9-13-17)

> Legislative Analyst: Jenny McInerney Fiscal Analyst: Ben Gielczyk

[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.