

Legislative Analysis



REGIONAL ENHANCEMENT MILLAGE BALLOT LANGUAGE

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5626 as reported from committee
Sponsor: Rep. Jeffrey R. Noble
Committee: Education Reform
Complete to 3-11-18

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

SUMMARY:

House Bill 5626 would amend the General Property Tax Act by revising the way school districts and other constituent districts would be described on a millage ballot question. This adjustment would account for the changes instituted by Public Act 23 of 2018 (Senate Bill 574),¹ which will take effect May 15, 2018.

Public Act 23 provides that public school academies (PSAs, or charter schools) and intermediate school districts (ISDs) themselves, for certain pupils, are eligible to receive a portion of funds obtained through a regional enhancement property tax levied by an ISD, for a regional enhancement millage approved after the bill takes effect.

Previously, these millages could be approved and levied by an ISD and used only for “traditional” public schools within the ISD. Public Act 23 expanded the definition of constituent districts, to which millages can be disbursed, to include PSAs and cyber schools—as long as they meet certain location and membership count requirements—and ISDs themselves.

The bill would amend the Act to allow school districts and constituent districts to which a millage would be disbursed to be disclosed on the ballot collectively as “public schools.”

MCL 211.24f

FISCAL IMPACT:

The bill would have no fiscal impact on state or local units of government.

ARGUMENTS:

For:

Proponents argued that this legislation is necessary to avoid unreasonably long ballots. Currently, statute requires that a ballot fully disclose “each local unit of government” to which revenue from a millage would be disbursed. In a large ISD such as Wayne RESA, this may mean the listing of its 33 school districts and over 100 PSAs. According to

¹ House Fiscal Agency analysis of PA 23 of 2018/SB 574: <http://www.legislature.mi.gov/documents/2017-2018/billanalysis/House/pdf/2017-HLA-0574-C54B4F3B.pdf>

committee testimony, this trailer bill to Public Act 23/SB 574 was requested by county clerks in order to ensure that the measure would not contribute to an already lengthy ballot.

Against:

In response, opponents argued that the listing of all entities receiving the millage is necessary so that voters see where their money is going. While Public Act 23 expanded the applicability of millages to apply to PSAs and cyber schools, providing a comprehensive list of entities benefiting is no less important, they argued. Before Public Act 23, some ballots would include lists of over 30 districts; why, they wondered, are we only now deciding that the inclusion of PSAs and charter schools makes the list unworkable?

POSITIONS:

A representative of the Michigan Association of Public School Academies testified in support of the bill. (3-8-18)

The following organizations indicated support for the bill (3-8-18):

Michigan Association of County Clerks
Middle Cities Education Association
Michigan Association of School Administrators
Wayne RESA
Calhoun ISD

A representative of the Michigan Department of State testified to a neutral position regarding the bill. (3-8-18)

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■ 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.