

Legislative Analysis



TOWNSHIP PRIVATE ROAD SPECIAL ASSESSMENT

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

House Bill 5386 as reported from committee

Sponsor: Rep. Sue Allor

Committee: Local Government and Municipal Finance

Complete to 1-25-22

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

(Enacted as Public Act 95 of 2022)

SUMMARY:

House Bill 5386 would amend 1972 PA 139, which authorizes township boards to create a special assessment district for the maintenance or improvement of a private road.¹ Under current law, the cost of that maintenance or improvement is apportioned among property owners based on how much road frontage their properties have. The bill would additionally allow, as an alternative, for the cost to be allocated equally among the property owners benefiting from the maintenance or improvement of the road.

MCL 247.392

BACKGROUND:

The act authorizes a township board to contract for the maintenance or improvement of a private road and create a special assessment district to pay those costs if 51% of the owners of property with frontage along the private road petition the board to request the improvement or maintenance. (That is, upon a petition by more than half of the owners of property with frontage, rather than a petition by owners of property with more than half of the frontage.) The maintenance or improvement can be an annual program, but neither the program nor the assessment can last longer than five years unless a new district with a new assessment is created to continue the program.

FISCAL IMPACT:

The bill would have no fiscal impact on the state or local units of government. However, the bill could change the distribution of the cost for maintenance or improvement of private roads for owners in the private road special assessment district if approved by the owners.

POSITIONS:

The Michigan Townships Association indicated support for the bill. (12-1-21)

The Department of Treasury indicated a neutral position on the bill. (12-1-21)

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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.

¹ In accordance with 1954 PA 188: <https://www.legislature.mi.gov/documents/mcl/pdf/mcl-Act-188-of-1954.pdf>