

SFA

BILL ANALYSIS

Senate Fiscal Agency

Lansing, Michigan 48909

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Senate Bill 710 (as passed by the Senate)
Sponsor: Senator Harmon Cropsey
Committee: Local Government and Veterans

Date Completed: 3-22-90

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RATIONALE

A number of bills were enacted last year to provide for the recodification of laws governing general law townships. As part of this recodification, Public Act 81 of 1989 amended Public Act 33 of 1951, which provides for fire protection for townships, to include police departments in provisions that authorize townships to establish a fire department and appropriate money to operate it; purchase fire apparatus, equipment, and housing; levy special assessments to cover the expenses of fire protection; and, create a joint fire administrative board. The 1951 law also had provided that townships could defray the expenses of fire apparatus, equipment, and housing by the collection of fees, for services and/or special assessments. Public Act 81, however, deleted reference to the collection of fees. Because townships reportedly continue to collect these fees, and in order for townships to continue collecting the fees in the future, some people believe that the authority to do so should be reinstated in the law.

CONTENT

The bill would amend Public Act 33 of 1951 to permit the township board of a township that provides emergency police or fire service or the township boards of adjoining townships that act jointly to provide such service, to authorize by ordinance the collection of fees for the service. The board of a township providing emergency ambulance and inhalator service alone or jointly with another municipality and the legislative body of such a municipality could authorize by ordinance the collection of fees for the service.

Proposed MCL 41.806a

FISCAL IMPACT

The passage of Senate Bill 710 could have an indeterminate fiscal impact on townships and other municipalities. Townships would be allowed to levy fees for emergency police or fire services provided, and townships and other municipalities could levy fees for emergency ambulance and inhalator services. The amount of fee revenue to be collected would depend on the number of townships and municipalities levying the fees, the level of fees charged, and the volume of services rendered subject to the fees.

ARGUMENTS**Supporting Argument**

Public Act 101 of 1978 amended Public Act 33 of 1951 to permit a township board, or boards acting jointly, to provide that the costs of purchasing and housing fire equipment, operating that equipment, or contracting for fire protection could be defrayed by the collection of fees for services. Public Act 33 already allowed townships to impose a special assessment to pay for these costs. With the recodification of the laws governing general law townships, however, the provision permitting the collection of fees was inadvertently deleted under Public Act 81 of 1989. Senate Bill 710 would not institute a new fee, but simply would continue the authority for townships to collect these fees.

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.

S.B. 710 (3-22-90)