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BILL ANALYSIS

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House Bill 4228

Sponsor: Representative James A. Kosteva

House Committee: Taxation

Senate Committee: Local Government and Veterans

Date Completed: 6-7-88

SUMMARY OF HOUSE BILL 4228 as passed by the House:

The bill would amend the home rule cities Act to prohibit a city from establishing a special assessment district for a boulevard lighting system, which would mean any design or method of providing "street" lighting, if the district included the entire city, unless the special assessments against the real property within the district were levied on a basis other than an ad valorem basis. "Street" would mean a public avenue, street, highway, road, path, boulevard, alley, or other access used for travel by the public.

Currently under the Act, a city, in its charter, may provide for the assessment and reassessment of the cost or portion of the cost of installing a boulevard lighting system. The bill would include in the definition of "cost" the operation and maintenance of a boulevard lighting system, whether that service was provided directly by the city or by an investor-owned utility. The bill also specifies that it would validate special assessments levied prior to the bill's effective date for a cost (condemnation cost and necessary expenses for engineering, legal, or administrative services; operation and maintenance of a boulevard lighting system, and other similar services involved in the making and financing of the improvement).

MCL 117.4d

Legislative Analyst: L. Arasim

FISCAL IMPACT

House Bill 4228 would have an indeterminate impact on local governments. The bill would make it clear that local governments have the authority to maintain street lighting through special assessments. Failure to enact House Bill 4228 would reduce special assessments on some parcels of property, but increase general local governmental expenses. The exact mix of such a shift in funding is unknown.

Fiscal Analyst: G. Olson

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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.