

# SENATE BILL No. 1194

November 8, 2018, Introduced by Senator CASPERSON and referred to the Committee on Natural Resources.

A bill to amend 1909 PA 279, entitled  
"The home rule city act,"  
by amending section 5 (MCL 117.5), as amended by 2011 PA 133.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 5. (1) A city does not have power to do any of the  
2 following:

3       (a) To increase the rate of taxation now fixed by law, unless  
4 the authority to do so is given by a majority of the electors of  
5 the city voting at the election at which the proposition is  
6 submitted, but the increase in any case shall not be in an amount  
7 as to cause the rate to exceed 2%, except as provided by law, of  
8 the assessed value of the real and personal property in the city.

9       (b) To submit to the electors a charter more often than once  
10 in every 2 years, ~~not~~ OR unless the charter is filed with the city

1 clerk 60 days before the election. ~~, but this provision shall~~ **THIS**  
 2 **SUBDIVISION DOES** not apply to the submission and resubmission of  
 3 ~~charters of cities that may be incorporated under this act until~~  
 4 ~~they shall have first~~ **A CHARTER UNTIL THE CITY HAS FIRST** adopted a  
 5 charter ~~. Where a city submits to the electors a charter and the~~  
 6 ~~charter~~ **UNDER THIS ACT. IF A CHARTER THAT HAS NOT BEEN ON FILE WITH**  
 7 **THE CITY CLERK FOR 60 DAYS** is adopted by the electors, and the city  
 8 has operated under the charter, ~~which charter has not, at the time~~  
 9 ~~it is adopted, been on file with the city clerk 60 days,~~ then the  
 10 legislative body of the city, upon its giving the notice of  
 11 election as provided in the charter, may resubmit **THE CHARTER** to  
 12 the electors, at a special or general election. ~~, the charter,~~  
 13 ~~which, if~~ **IF THE RESUBMITTED CHARTER IS** adopted by the electors,  
 14 ~~shall be considered~~ **IT IS** operative and effective as of the date of  
 15 the first submission and adoption. The charter shall not be  
 16 resubmitted unless 60 days have elapsed between the date of the  
 17 filing of the charter and the date of the election at which the  
 18 charter is resubmitted.

19 (c) To call more than 2 special elections within 1 year. This  
 20 prohibition does not apply to elections that may be held in the  
 21 submission and resubmission of ~~charters of cities that may be~~  
 22 ~~incorporated under this act until they have~~ **A CHARTER BEFORE THE**  
 23 **CITY HAS** first adopted a charter, and does not apply to elections  
 24 that may be held in the resubmission of a charter once adopted as  
 25 provided in subdivision (b).

26 (d) To decrease the salary of a municipal judge after his or  
 27 her election or appointment, or during the judge's term of office,

1 notwithstanding any charter provision to the contrary. The term of  
2 a public official shall not be shortened or extended beyond the  
3 period for which the official is elected or appointed, unless he or  
4 she resigns or is removed for cause, if the office is held for a  
5 fixed term.

6 (e) To adopt a charter or an amendment to the charter unless  
7 approved by a majority of the electors voting on the question; to  
8 sell a park, cemetery, or any part of a park or cemetery, except  
9 where the park is not required under an official master plan of the  
10 city; to engage in a business enterprise requiring an investment of  
11 money in excess of 10 cents per capita; or to authorize an issue of  
12 bonds except bonds issued in anticipation of the collection of  
13 taxes actually levied and uncollected or for which an appropriation  
14 has been made; bonds that the city is authorized by its charter to  
15 issue as part of its budget system, to an amount that in any year,  
16 together with the taxes levied for the same year, will not exceed  
17 the limit of taxation authorized by law; special assessment bonds;  
18 bonds for the city's portion of local improvements; refunding  
19 bonds; emergency bonds as defined by this act; and bonds that the  
20 legislative body is authorized by specific statute to issue without  
21 vote of the electors, unless approved by a majority of the electors  
22 voting on the question at a general or special election. In  
23 addition, a city ~~that now has, or may subsequently have,~~ **WITH** a  
24 population of 750,000 ~~persons~~ or more may issue bonds, upon  
25 resolution of its governing body, without prior approval of the  
26 electors, ~~which~~ **IF** the city is authorized by its charter to issue  
27 **THE BONDS** as part of its budget system, ~~to an~~ **AND IF THE** amount

1 ~~that~~ in any year, together with the ad valorem taxes levied for the  
2 same year, exclusive of debt service taxes or taxes levied pursuant  
3 to other laws, will not exceed 2-1/2% of the assessed value of the  
4 real and personal property in the city, ~~this limitation to~~  
5 ~~supersede and take the place of~~ **NOTWITHSTANDING** any contrary  
6 language in any existing city charter. For the purposes of this  
7 subdivision only, the assessed value of real and personal property  
8 in any city shall include the assessed value equivalent of money  
9 received during the city's fiscal year under the Glenn Steil state  
10 revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.  
11 The assessed value equivalent shall be calculated by dividing the  
12 money received by the city's millage rate for the fiscal year.  
13 Notwithstanding the former provisions of this subdivision requiring  
14 approval by 3/5 of the electors voting on the question as a  
15 prerequisite to the exercise of certain powers, these powers may be  
16 exercised if approved by a majority of the electors voting on the  
17 question at a general or special election held on or after April 1,  
18 1966.

19 (f) To make a contract with, or give an official position to,  
20 one who is in default to the city.

21 (g) To issue bonds without providing a sinking fund to pay  
22 them at maturity, except as provided in section 4g(1) ~~, but sinking~~  
23 ~~funds shall not be required~~ **OR** in the case of serial bonds that  
24 fall due annually. Bonds, whether authorized under this act or any  
25 other act, except refunding bonds, revenue bonds, motor vehicle  
26 highway fund bonds, rehabilitation bonds, judgment bonds, bonds or  
27 other obligations issued to fund an operating deficit of a city,

1 bonds or other obligations to pay premiums or to establish funds to  
2 self-insure for losses as authorized by the revised municipal  
3 finance act, 2001 PA 34, MCL 141.2101 to 141.2821, bonds the  
4 issuance of which has been approved by the voters, and bonds issued  
5 to comply with an order of a court of competent jurisdiction shall  
6 not be issued by a city unless notice of the issuance of the bonds  
7 is published once in a newspaper of general circulation in the city  
8 at least 45 days before the issuance of the bonds. ~~, within which~~  
9 **IF, WITHIN THAT** period, a petition ~~may be~~ **FOR AN ELECTION ON THE**  
10 **ISSUANCE OF THE BONDS IS** filed with the legislative body **AND** signed  
11 by not less than 10% or 15,000 of the registered electors in the  
12 city, whichever is less, ~~in which event~~ the legislative body shall  
13 submit the question of the issuance of the bonds to the electors of  
14 the city, at a regular or special election in the city. The bonds  
15 shall not be issued unless a majority vote of the electors voting  
16 on the issuance vote in favor of issuing the bonds. The notice of  
17 intent to issue bonds shall state the maximum amount of the bond  
18 issue, the purpose of the bond issuance, source of payment, right  
19 of referendum on the issuance of the bonds, and other information  
20 as the legislative body determines to be necessary to adequately  
21 inform the electors and all other interested persons of the nature  
22 of the issue and of their rights with respect to the issue.

23 (h) To repudiate a debt by a change in its charter or by  
24 consolidation with any other municipality.

25 (i) To submit a franchise to the electors at a special  
26 election, unless the expense of holding the election, as determined  
27 by the legislative body, is paid in advance to the city treasurer

1 by the grantee in the franchise.

2 (2) Beginning ~~on the effective date of the amendatory act that~~  
3 ~~added this subsection,~~ **SEPTEMBER 13, 2011**, a city shall not adopt a  
4 city charter or ordinance that includes ~~any~~ **A** minimum staffing  
5 requirement for city employees. ~~Except as otherwise provided in~~  
6 ~~this subsection,~~ ~~any~~ **A** provision in a city charter or ordinance  
7 adopted on or after ~~the effective date of the amendatory act that~~  
8 ~~added this subsection~~ **SEPTEMBER 13, 2011**, that contains a minimum  
9 staffing requirement for city employees is void and unenforceable.

10 (3) **THIS ACT IS SUBJECT TO THE VEGETATION REMOVAL PREEMPTION**  
11 **ACT.**

12 Enacting section 1. This amendatory act takes effect 90 days  
13 after the date it is enacted into law.

14 Enacting section 2. This amendatory act does not take effect  
15 unless Senate Bill No. 1188

16 of the 99th Legislature is enacted into law.