



MLGMA Winter Workshop Legislative Update February 2016

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2016 Legislative Preview

➤ Issues

- Flint
- Campaign Finance Restrictions - SB 571
- Historic Districts
- Speed Limits
- Relocation of Telecommunication Lines
- Dark Stores/Big Box Retail Assessment Appeals/MTT
- Medical Marijuana
- Other Issues





Flint

➤ State Action

- October 2015
 - Allocates nearly \$10 million to reconnect to Detroit Water and Sewer, purchase and distribute filters, test water and follow-up services for children
- January 2016
 - State of the State Address,
 - Legislature allocates an additional \$28 million for continued purchase and distribution of filters, ongoing monitoring of health, infrastructure integrity study using outside experts and additional nurse services
- February
 - Governor asks the Legislature for \$30 million to pay residents' water bills
- What's next?



SB 571/PA 269 – Campaign Finance/Public Resource Restrictions



- SB 571 amended on last day of session in December – substitute added 41 pages to the bill, including Sec. 57 regulating use of public resources
- Language imposes 60-day blackout window for communications from a public body that *reference* a local ballot question if communication done by radio, TV, mass mailing, or pre-recorded phone message
- Free speech concerns, impact on community newsletters, educational mailings, and public access (PEG) channel activity are of primary concern
- MML coordinating with other organizations opposing this language (MML, MTA, MAC, MASA, MASB, MAISD, MITA, CRA, MACC, etc)
- Numerous “fix” bills introduced following Governor’s call for clarifying legislation
- Federal lawsuit filed in Eastern District citing First & Fourteenth Amendment violations
- House committee reports HB 5219 in an attempt to correct issues with the new law





Historic Districts

- House Bill 5232 would amend the Local Historic Districts Act by modifying the procedure for establishing or eliminating an historic district
- Proposal would change process for establishing/operating a historic district:
 - Obtain preliminary approval from 2/3 of the property owners in proposed district
 - Changes make-up of historic district study committee
 - Removes multiple references to State Historic Preservation Office involvement
 - Allow only conditionally effective historic district ordinances, subject to a vote of all of the residents of the local unit
 - Move appeals process from State to city/village council
 - Removes requirement to follow national standards
 - Requires dissolution of all historic districts every 10 years unless the voters in that local unit approve the renewal of the district
- As introduced, the bill faces broad opposition





Speed Limits

- Maintains local control of setting speed limits on roads under your jurisdiction
- Changes the access point calculation from increments of 10 m.p.h. to 5 m.p.h.
- After completing speed studies, requires MDOT and MSP to raise the speed limit to 75 m.p.h. on at least 600 miles of rural limited access freeways, and to 60 m.p.h. on 900 miles of trunk line highways within one year of the bills' enactment
- Allows MDOT and MSP to raise a section of rural limited access freeway to 80 m.p.h. if a safety and engineering study finds that the limit should be raised.
- Allows a county road commission in a county with more than 1 million people to request that gravel road speed limits be reduced from 55 m.p.h. to 35 m.p.h.
- Allows a school superintendent to designate the half-hour before and after school times when speed limits can be reduced by up to 20 m.p.h. lower than the posted speed limit.
- Reduces the number of points that can be assessed on a driver's license from two points to one for driving 5 m.p.h. over the speed limit

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Relocation of Telecommunication Lines



- HB 5016 requires municipalities to reimburse a telecommunications provider a portion of relocation costs (50%) if a community fails to notify the provider at least one year in advance of a project that will require relocation of their lines
- Municipalities would no longer be able to charge for a permit fee, inspection fee, or survey cost, when a relocation is required
- Fails to provide any protection to the municipality if the provider installs or relocates their lines in an area other than allowed by the permit
- Municipalities would be required to pay a private for profit company for moving their facilities within the public right-of-way where we cannot deny access and they get to use for free
- This bill sets a terrible precedent and could lead to other right-of-way users, like gas and electric companies, to ask for a similar deal
- Relocation costs can be very expensive. If communities are required to shoulder a portion of those costs it could result in projects being delayed, scaled back, or even eliminated as a result of those increased costs

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Dark Stores/Big Box Retailers



- SB 524 and HB 4909 – Sen. Tom Casperson and Rep. John Kivela sponsors.
- Proposal focuses on true cash value/highest and best use and negative use deed restrictions.
- Additional legislation amending the Tax Tribunal Act is expected.
- Recent passage of similar language in Indiana providing a model to follow.
- House committee hearings held in November and December.
- Legislative workgroup was chaired by Tax Policy VC and met on the issue in December.
- Tax Policy VC developing legislation based on input from workgroup. Expect to have language to review in first quarter of 2016.





Medical Marijuana

- HB 4209 (dispensaries) and HB 4210 (medibles)
- HB 4827 seed to sale tracking system
- League involved in workgroups to ensure locals have the ability to allow or disallow these in their communities as well as zone where they can operate
- New structure would look similar to liquor licenses in that there will be different licenses based on the type of activity: grower, distributor, provisioning center, testing facility
- Annual local registration fee allowed as well as portion of excise tax distributed back to locals
- Bills passed House early October
- Senate Judiciary taking testimony on the issue but interest appears to have waned – some indication that there will not be a rush to complete
- Outstanding issues that remain:
 - ability for the locals to approve each applicant prior to the application being sent to the state board for approval
 - breakout of revenue (county share larger than municipal share) – also separate law enforcement carve-outs





Other Legislative Issues

- State Budget Presentation – Revenue Sharing
- TIF / DDA Proposals
- Pension / OPEB Workgroup
- Storm Water – Bolt-Redux
- Local Match to MDOT
- Qualifications-Based Selection
- Road Warranties
- City Income Tax / Veterans Property Tax Exemption





Federal Legislative Issues

- Not a lot of major issues expected, because of election season, with the *possible* exception to federal tax reform which Speaker Ryan has indicated he will attempt.
- First federal legislation announced regarding Flint water issue – a bill that would “authorize” (read: require) EPA to notify people if there were actionable lead levels in their water if the state did not notify those users.
- We are headed to DC next month as part of the NLC, and will be highlighting online sales tax collections and retaining the tax exempt status of municipal bonds.





Legislative Team

- State
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 - Municipal Finance, Labor, Elections
 - John LaMacchia, Legislative Associate
 - Transportation & Infrastructure, Energy
 - Derek Tisler, Legislative Assistant
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