

# WELCOME TO THE



**Michigan  
Municipal  
Executives**

2024 Winter Institute



# LEGISLATIVE UPDATE

**MME Winter Institute**

**February 1, 2024**

# 2023 Highlights



Governor and Legislature Check Off Several Campaign Priorities

Largest Budget in the History of the State of Michigan

- Revenue Sharing
- Housing
- Placemaking
- One-Time Investments

**BIG WIN!**

- Personal Property Tax Small Taxpayer Exemption Reimbursement (\$75M)



# 2023 Challenges

## Energy

- Local Preemption of Renewable Energy Siting
  - PA 233 & 234

## Labor

- Intergovernmental Agreements
  - PA 115
- Employee Contact Information
  - PA 236



# 2024 Session – Key Items

## Election Year

- Presidential Primary - February 27
- Special Elections – January 30 and April 16

## Redistricting Decision

- 7 House districts
- 6 Senate districts
- New Districts – impact



# 2024 Session – Key Early Dates

**January 10** – Session Convened

- House – 54 D / 54 R
- Special Elections – Jan. 30 & April 16

**January 12** – Consensus Revenue Estimating Conference (CREC)

**January 24** – State of the State

**February 7** – Executive Budget Presentation



# State of the State Address

## COSTS

- **MI Vehicle Rebate:** lower the cost of buying a new car by offering a \$1,000 rebate for cars and \$2,000 for electric vehicles. If assembled by a union, customers get an extra \$500—total of up to \$2,500 off at the point-of-sale.
- **Housing:** In 2024, make the largest investment to build housing in state history, totaling almost \$1.4 billion to build or rehabilitate nearly 10,000 homes. Build more of every kind of housing to expand supply and lower costs.
- **Caring for MI Family Tax Credit:** save families caring for an aging or sick relative up to \$5,000 on their taxes.



# State of the State Address

## EDUCATION

- **Pre-K for All:** last year, the Governor proposed Pre-K for All by the end of 2026, to save families \$10,000 a year. This year, the Governor's budget will propose pre-K for every single 4-year-old in Michigan—2 years ahead of schedule.
- **Community College for All:** make the first two years of community college in Michigan tuition-free for every high school graduate, saving Michiganders an average of \$4,000 on tuition as they get their associates degree or skills certificate at a community college.





# State of the State Address

## MAKING IT IN MICHIGAN

- Upgrade Michigan's bipartisan economic development toolkit to keep bringing supply chains and jobs home to Michigan.
- **R&D Tax Credit:** spur innovation while lowering costs for businesses.
- **HIRE Michigan:** to lower overall payroll taxes for small and second stage businesses—the more you hire here, the more you should save here.
- **Renaissance Zones:** to drive investment to areas that have too often been left out or left behind by lowering the cost of doing business.
- **Innovation Fund:** to invest in high-growth startups, help launch hundreds of new Michigan-based companies, creating thousands of jobs.
- **Roads:** The Governor called on the Michigan Department of Transportation to authorize the final \$700 million of the Rebuilding Michigan Plan.



# 2024 Session Priorities

## **Senate Democrats**

- Prescription Drug Affordability, Auto No-Fault, Economic Development, Paid Family Leave

## **Senate Republicans**

- Cutting Taxes, Responsible Government Spending

## **House Democrats**

- Paid Family Leave, Auto No-Fault, Economic Development, Expanding Access to Child Care

## **House Republicans**

- Road Funding, Improving Schools, Growing the Economy



# MML Priorities

Revenue Sharing Trust Fund

Disabled Veterans Property Tax Exemption

Headlee/Proposal A

Housing/Placemaking/Economic  
Development



# 2024 Session - Taxes/Finance

## **Revenue Sharing Trust Fund**

- Senate Bills 182/183 House Bills 4274/4275

## **Public Safety and Violence Prevention Trust Fund**

- House Bills 4605 & 4606

## **Disabled Veterans Property Tax Exemption**

- Senate Bills 95/96 and House Bills 4894/4895

## **Local Hotel Tax**

- House Bill 5048 and Senate Bill 671

## **Dark Stores**

## **Transformational Malls**



# 2024 Session – Local Governance

## **Aggregates**

- House Bills 4526-4528

## **Short-Term Rentals**

## **Video Services Act – Franchise Fee**

- HB 4965

## **Plastic Bags**

- House Bill 4359 & Senate Bill 228

## **Minimum Staffing**

- House Bill 4688



# 2024 Session – Local Governance

## Fire Authorities

- House Bill 4360

## Open Meetings Act

- House Bill 4693

## Public Notices

- House Bill 4428

## Freedom of Information Act

## Speed Limits

- House Bill 4012

# 2024 Session – Energy, Environment, Infrastructure



## **Polluter Pay**

- Senate Bills 605-611 and House Bills 5241-5247

## **Statewide Sanitary Code**

- House Bills 4479/4480

## **Stormwater Utility**

- Senate Bill 660

## **Statewide Water Affordability Program**

- Senate Bills 549-554 and House Bills 5088-5093



# 2024 Session - Issues to Watch

## **Housing**

- Zoning Preemption

## **Elections**

- Michigan Voting Rights Act
- Charter Revisions

## **Labor**

- Retiree Health Care

## **Workers Compensation Reform**

## **Transportation Funding**





# Ballot Proposals – Ax MI Tax

## Constitutional Amendment

- Prohibits property taxes
- Supermajority vote for tax increase
- Limited replacement revenue for limited purposes



# Ballot Proposals – Ax MI Tax

## **Prohibits Property Taxes on Real Property**

- No tax on real property after 2025
- No state or local alternative tax of real/personal property
- Eliminates all state & local school property taxes
- Eliminates property taxes on telephone/railroads
- Eliminates caps and limitations on taxes



# Ballot Proposals – Ax MI Tax

## Supermajority vote for tax increase

- Require 60% of voters to approve township, city, or countywide tax
- Require 2/3 vote of House & Senate to increase state revenue by more than 0.1% over 5 years



# Ballot Proposals – Ax MI Tax

**Limited Replacement Revenue** for only cities, villages, townships & counties for limited purposes:

- “essential gov’t services”
- “essential infrastructure services”

**No Replacement Revenue For Any Other**

**Purpose:** schools, libraries, fire authorities, parks and recreation authorities, public transit authorities, etc.



# Ballot Proposals – Ax MI Tax

## **Limited Replacement Revenue - Cities, Villages, and Townships**

- Additional 5% of 4% of sales tax
- 10% of income tax
- 10% of taxes from alcohol, marijuana, tobacco taxes

## **Limited Replacement Revenue - Counties**

- 10% of 4% of sales tax
- 10% of income tax
- 10% of taxes from alcohol, marijuana, tobacco taxes



# Ballot Proposals - Citizens for Local Choice

## Statutory Ballot Initiative

- Repeal Part 8 added by PA 233 of 2023
- Allow LUG to determine standards - setbacks, heights, amount of light & sound emitted by energy facilities - and exercise final authority over construction of energy facilities in their jurisdictions

**Thank you**



**Questions**