

# Legislative Update

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MICHIGAN MUNICIPAL LEAGUE  
**CONVENTION 2017**

SEPTEMBER 13-15, 2017 - HOLLAND



# 2017 Legislature's First Half Recap

- Income Tax Elimination/Cut Fails
- MPERS Reform Effort
- State Budget Completed
- MI Thrive & Good Jobs for MI
- Sales Tax on the Difference Vetoed



# First Half Impact on Local Government

- Trial Court Funding Commission – Fee Extension
- Personal Property Tax – EMPP Filing Extension
- Unattended Idling Vehicles
- Non-Profit Solicitation in Right of Way
- Law Enforcement Body-Worn Camera Privacy Act
- Commercial Motor Vehicle Requirements for Municipal Employees

# State Budget

- State Budget Signed By Governor in July
  - CVTRS Increased 2.5% for \$6.2 million – one-time supplemental payment
  - Constitutional Payments Up 5.1% in FY16-17 & 1.2% in FY17-18
  - County Payments Increasing 1% for \$2.1 million

Total Revenue Sharing Payments to Cities, Villages, and Townships



- \$150 million Deposit in BSF - \$35 million in MI Infrastructure Fund
- Road Funding - \$50 million increase to Cities & Villages & \$89 million additional to Counties
  - Asset Management Pilot

# Federal Budget

- CDBG
- Tiger Grants
- Clean Water and Drinking Water SRFs
- Great Lakes Restoration Initiative
- Rural Water and Wastewater Loan & Grant Programs
- Army Corps of Engineers
- Tax Exempt Municipal Bonds
  - Part of infrastructure debate or tax reform?
- Budget Timeline – Debt Limit



# Federal Budget – NLC Toolkit

- Budget Tracker:
  - <http://www.nlc.org/advocacy/FY18Budget#Budget Tracker>
- Action Guide:
  - [http://www.nlc.org/sites/default/files/users/user121/%23FightTheCuts%20Action%20Guide\\_Final.pdf](http://www.nlc.org/sites/default/files/users/user121/%23FightTheCuts%20Action%20Guide_Final.pdf)

# 2017 – Second Half Highlights

- No Fault Auto Insurance
- Legacy Costs – Pension / OPEB
- Infrastructure
- Workforce Development – Skilled Trades



# Municipal Finance Reform

- Governor's OPEB Task Force Report
  - [http://www.michigan.gov/documents/snyder/R3\\_Task\\_Force\\_Report\\_579101\\_7.pdf](http://www.michigan.gov/documents/snyder/R3_Task_Force_Report_579101_7.pdf)
  - [MML Response Statement](#)
- SaveMICity Partnership with C. S. Mott Foundation
- Efforts Focused on Costs, Structure & Revenue
- Pursuing Increased Revenue Sharing





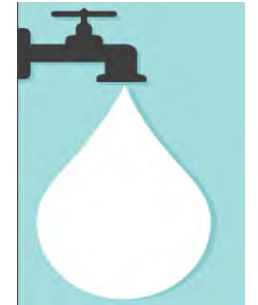
# Tax Policy

- Dark Stores & MI Tax Tribunal Reforms
- Personal Property Tax Amendments
  - Debt Limit Calculation
  - Distribution Formula
  - Delinquent Filings
  - Treasury Technical Amendments
- Non-Profit/Charitable & Veteran Exemptions



# Infrastructure

- Basement Back-up Protections – HB 4290 - Clarify local government liability during major storm events
- Storm Water Authorities – HB 4100 - Establish clear guidance for municipal storm water infrastructure operations
- Concern over preempting local standards for water/sewer system pipe materials - SB 157 (Jones)



# Infrastructure

- Lead & Copper Rule revisions – Ensuring local operator involvement in reform conversation
- Broadband & DAS/Small Cell Legislation
- PA 51 Performance Audits
- Local Agency Road Warranty Program



# Economic Development & Land Use

- Local Economic Development Tools
  - TIF & DDA reform proposals – SB 393 (Horn), SB 250 (Hopgood)
  - Restoration of Historic Income Tax Credit program – SB 469 (Schmidt)
- Below Market Housing Incentives
  - Clarify local authority to negotiate voluntary incentives - SB 110 (Schmidt)
- Short Term Rentals
  - Local Zoning Pre-emption - SB 329 (Hune) & HB 4503 (Sheppard)

# Medical Marijuana

- Anticipated revisions
- MMFLA Licensing Board & Advisory Board
  - Work Groups
- You Need To Know Events



# Other Legislative Issues

- Mobile Home Workgroup
- Fireworks
- Local Candidate Filing Deadlines
- Sanctuary Cities
- E-Bikes
- Qualification Based Selection (QBS)
- Recycling

## Questions?

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