

## Michigan Law Expands Police and Fire Special Assessment Authority to More Cities

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Cities with a population of 15,500 or more now may specially assess for police and fire services under a new law, Public Act 228 of 2022, that becomes effective on March 28, 2023, that amends Act 33, Public Acts of Michigan, 1951, as amended. Previously, generally only townships, villages, and cities with a population of less than 15,500 could exercise special assessment powers.

Now any city with a population of 15,500 or more may exercise the powers of the law, provided that the question of raising money by special assessment and the amount of the special assessment to be levied in such cities is first approved by a majority of the electors in the special assessment district. The act only compels cities with a population of 15,500 or more to seek voter approval to exercise the special assessment powers. Townships, villages and cities with a population of less than 15,500, still may establish the special assessment district pursuant to certain procedures and public hearing on the governing body's own initiative, or pursuant to a petition process by property owners, or by an election.

Municipalities exercising special assessment powers under the act may levy special assessments for police services, fire services or both. Police and fire vehicles, apparatus, equipment and housing may also be funded by special assessment under the act, although there is a 10-mill limit to these non-operational expenditures.

Unlike most special assessments, the act requires that the special assessment be levied based on the taxable value of the properties being assessed. Each municipality specially assessing under the act is required to hold an annual public hearing on the estimated costs and expenses of the police and/or fire services and that year's estimated levy. Lands exempt from ad valorem taxes are also exempt from special assessments levied pursuant to the act.

Any municipality interested in pursuing the funding opportunity under the act is encouraged to contact the authors listed on this page or your Miller Canfield attorney for guidance.