

Legislative Analysis



REGIONAL ENHANCEMENT MILLAGE BALLOT LANGUAGE

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House Bill 4823 (H-2) as reported from committee
Sponsor: Rep. Joseph N. Bellino, Jr.
1st Committee: Elections and Ethics
2nd Committee: Ways and Means
Complete to 12-6-19

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 4823 would amend the General Property Tax Act to revise the way school districts and other constituent districts could be described on a millage ballot question. This adjustment would account for the changes instituted by 2018 PA 23 (Senate Bill 574),¹ which took effect May 15, 2018.

2018 PA 23 provides that public school academies (PSAs, or charter schools) and intermediate school districts (ISDs) themselves, for certain pupils, are eligible to receive a portion of funds obtained through a regional enhancement property tax levied by an ISD, for a regional enhancement millage approved after the bill takes effect.

Previously, these millages could be approved and levied by an ISD and used only for “traditional” public schools within the ISD. 2018 PA 23 expanded the definition of constituent districts, to which millages can be disbursed, to include PSAs and cyber schools—as long as they meet certain location and membership count requirements—and ISDs themselves.

House Bill 4823 would amend the act to allow school districts and constituent districts to which a millage would be disbursed to be disclosed on the ballot collectively as “public schools” as long as the city or township clerk had posted, on the city or township website and in one or more conspicuous places in each precinct where the question was on the ballot, a list of each school district and other constituent districts to which revenue from the millage would be disbursed.

MCL 211.24f

FISCAL IMPACT:

The bill would have no fiscal impact on state or local units of government.

BACKGROUND INFORMATION:

An H-1 substitute for HB 4823 was reported from the House Ways and Means committee in October 2019. In November, the bill was re-referred to the committee, and on December 4, the committee voted unanimously to reconsider the vote by which HB 4823 was reported and to

¹ House Fiscal Agency analysis of 2018 PA 23 /SB 574: <http://www.legislature.mi.gov/documents/2017-2018/billanalysis/House/pdf/2017-HLA-0574-C54B4F3B.pdf>

report an amended version of the bill as substitute H-2. The amendment added city and village websites as places where city and village clerks would have to post the list of districts to which millage revenues would be disbursed, in light of recent changes to Michigan's election law that could result in more people voting without physically going to a polling place on Election Day.

ARGUMENTS:

For:

Proponents of the bill argued that the requirement that counties list all schools that would receive funding because of a millage approval may have been reasonable under the previous rules, but the expansion of the millage rules to apply to PSAs and ISDs means that the sheer number of schools to be listed quickly becomes burdensome. For instance, supporters offered that in Wayne County a full listing of schools to benefit from the millage would stretch to 120 schools. With space on a ballot at a premium, and Michigan's ballot already one of the longest in the country, they proposed a simplified listing of "public schools" instead.

Against:

Opponents argued that a full listing of schools provides important transparency in the voting process. Perhaps voters would act differently if they know that millage money was going to charter schools, and especially cyber schools, critics said.

Response:

Supporters stressed that the bill is permissive and that communities could opt to list all of the schools to receive the millage if they chose to do so.

POSITIONS:

The following organizations indicated support for the bill:

- Michigan Association of Intermediate School Administrators (10-16-19)
- Michigan Association of School Boards (12-4-19)
- Michigan Association of Secondary School Principals (10-29-19)
- Michigan Association of Superintendents and Administrators (10-29-19)
- Barry, Branch, Calhoun, Jackson, Lenawee, and Monroe ISD (10-29-19)
- Wayne RESA (10-29-19)

The Department of Treasury indicated a neutral position on the bill. (10-2-19)

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■ This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.