

HOUSE BILL NO. 6488

November 09, 2022, Introduced by Rep. Steven Johnson and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 1851 PA 156, entitled

"An act to define the powers and duties of the county boards of commissioners of the several counties, and to confer upon them certain local, administrative and legislative powers; and to prescribe penalties for the violation of the provisions of this act,"

(MCL 46.1 to 46.32) by amending the title and by adding sections 16m, 16n, 16o, 16p, 16q, 16r, 16s, 16t, 16u, 16v, 16w, 16x, 16y, and 16z.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 TITLE
- 2 An act to define the powers and duties of the county boards of

commissioners of the several counties, and to confer upon them certain local, administrative, and legislative powers; **to provide for the disincorporation of a township into a county**; and to prescribe penalties for the violation of the provisions of this act.

Sec. 16m. (1) To initiate the disincorporation of a township, a petition signed by not less than 15% of the registered electors of the township requesting a vote on the question of whether the township shall disincorporate must be filed with the township clerk.

(2) A petition filed under this section must designate the county into which the township is proposed to be disincorporated. A township must be disincorporated into the county in which it is located.

(3) Not more than 14 days after a petition is filed under this section, the township clerk shall verify the signatures and determine the sufficiency of the petition. Unless the township board proceeds under sections 16p to 16z, if the township clerk determines that the petition is sufficient, the question of the disincorporation of the township must appear on the ballot at the next general or special election to be held in both the township and the county, subject to the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992. The township clerk shall prepare the ballot language in substantially the following form:

"Shall incorporation of the township of _____ be vacated?

() Yes

() No".

(4) The county election commission of the county into which

1 the township is proposed to be disincorporated shall provide
2 ballots for the election.

3 (5) The clerk and election officials of the cities and
4 townships located in the county into which the township is proposed
5 to be disincorporated shall conduct the election on the proposed
6 disincorporation.

7 (6) The results of the election on the proposed
8 disincorporation must be canvassed by the board of county
9 canvassers of the county into which the township is proposed to be
10 disincorporated.

11 (7) The disincorporation of the township takes place under
12 this section only if a majority of each of the following votes cast
13 on the question of the proposed disincorporation are in favor of
14 disincorporation:

15 (a) The votes cast by the electors of the township.

16 (b) The votes cast by the electors of the county into which
17 the township is proposed to be disincorporated, excluding votes
18 cast by residents of the township.

19 (8) If the disincorporation is approved, the township board
20 shall immediately cause a transcript of all the proceedings in the
21 case to be certified to both of the following:

22 (a) The county clerk of the county into which the township is
23 to be disincorporated.

24 (b) The secretary of state.

25 Sec. 16n. Upon receiving the transcript of the proceedings in
26 submitting to a vote of the electors the question of vacating the
27 incorporation of any township as provided in section 16m, the
28 county clerk shall submit the transcript to the county board of
29 commissioners. The county board of commissioners shall, at its next

1 regular annual meeting, pass a resolution vacating the
2 incorporation of the township.

3 Sec. 16o. (1) Upon the vacation of the incorporation of any
4 township under sections 16m and 16n, the officers of the township
5 shall immediately deposit all books, papers, records, and files
6 relating to the organization of or belonging to the township that
7 are in the custody of the township officers with the county clerk
8 of the county into which the township is disincorporated. The
9 indebtedness of the vacated township, whether bonded or otherwise,
10 must be assessed, levied, and collected upon the territory embraced
11 within the boundaries of the township immediately before the
12 vacation. The county shall levy upon the assessment roll or rolls
13 of the township upon the property formerly embraced within the
14 limits of the township, the indebtedness of the township. This levy
15 must be made not more than 1 year after the date that the township
16 incorporation is vacated. However, if the indebtedness falls due at
17 a specific time, an assessment must be made that will satisfy the
18 indebtedness when it falls due.

19 (2) The taxes assessed and levied under subsection (1) must be
20 collected the same as other taxes and must be placed in a separate
21 fund and applied to the payment of the indebtedness. The manner of
22 the payment of indebtedness must be fixed by resolution of the
23 county board of commissioners.

24 Sec. 16p. Not later than the next meeting of the township
25 board held after the clerk verifies the petition signatures and
26 determines the sufficiency of the petition under section 16m, the
27 township board may by resolution elect to proceed under this
28 section and sections 16q to 16z.

29 Sec. 16q. (1) A disincorporation commission shall be composed

1 of 3 members representing the county into which the township is
2 proposed to be disincorporated and 3 members representing the
3 township to be disincorporated.

4 (2) The township supervisor, with the approval of the township
5 board, shall appoint the members representing the township. The
6 county board of commissioners of the county into which the township
7 is to be disincorporated shall appoint the members representing the
8 county.

9 (3) Disincorporation commission members may be county or
10 township officials.

11 Sec. 16r. (1) An individual appointed to the disincorporation
12 commission shall take the constitutional oath of office.

13 (2) A vacancy in the disincorporation commission is created in
14 the manner as provided in section 3 of 1846 RS 15, MCL 201.3.

15 (3) If a member of a disincorporation commission vacates
16 office, the vacancy must be filled by appointment in the same
17 manner as provided in section 16q.

18 Sec. 16s. (1) The supervisor of the township shall appoint 1
19 of the township members as chairperson of the disincorporation
20 commission.

21 (2) The township clerk shall call the first meeting of the
22 disincorporation commission and shall serve as secretary of the
23 commission and keep its minutes and records.

24 (3) At its first meeting, the disincorporation commission
25 shall elect those other officers the commission considers
26 necessary.

27 (4) The disincorporation commission shall adopt bylaws to
28 govern the conduct of its business.

29 (5) A majority of the members of the disincorporation

1 commission constitute a quorum for the transaction of business at a
2 meeting of the commission. A majority of the members are required
3 for official action of the disincorporation commission.

4 (6) The disincorporation commission shall conduct its business
5 at a public meeting held in compliance with the open meetings act,
6 1976 PA 267, MCL 15.261 to 15.275.

7 (7) A writing prepared, owned, used, in possession of, or
8 retained by the disincorporation commission in performance of an
9 official function is subject to the freedom of information act,
10 1976 PA 442, MCL 15.231 to 15.246.

11 Sec. 16t. (1) The disincorporation commission may contract for
12 any consultants and advisors as may be reasonably necessary in its
13 discretion to carry out its responsibilities.

14 (2) The township board shall appropriate for the
15 disincorporation commission sufficient money for the commission to
16 reasonably carry out its responsibilities.

17 (3) The disincorporation commission may accept any private or
18 public funding.

19 Sec. 16u. (1) The disincorporation commission may adopt a
20 disincorporation plan for the township. Adoption of a
21 disincorporation plan requires the affirmative vote of 2/3 of the
22 members representing the township and 2/3 of the members
23 representing the county on the disincorporation commission.

24 (2) The disincorporation plan must provide an orderly process
25 for disincorporation of the township. The disincorporation plan
26 must include all of the following elements:

27 (a) An interim land use plan and interim zoning of the
28 property within the limits of the township.

29 (b) Provision for payment of all indebtedness of the township,

1 including any outstanding judgments, or judgments that may result
2 from pending or future litigation in which the township may become
3 a party.

4 (c) Disposition of real and personal property and other
5 assets, including funds, deposits, and investments.

6 (d) Disposition of all public records of the township in
7 accordance with a records retention plan as provided by law,
8 including files, books, and papers.

9 (e) Transfer or termination of employees, and contracts of
10 employment, and disposition of employee benefits, including
11 retirement, health and life insurance, unemployment compensation,
12 accrued sick leave and vacation leave, and any other benefits.

13 (f) Jurisdiction over any streets, roads, bridges, alleys,
14 sidewalks, and any public easements in the township, and for the
15 maintenance and repair of those streets, roads, bridges, alleys,
16 sidewalks, and public easements, including streetlights and snow
17 removal.

18 (g) Jurisdiction over traffic control and traffic control
19 devices.

20 (h) Provision for any special assessments or special
21 assessment districts within the township, including, but not
22 limited to, street maintenance, street sweeping, and private road
23 service.

24 (i) The transfer or termination of public utilities and public
25 services of the township, including, but not limited to, water,
26 sewer, drainage, cable television, street lighting, electric
27 service, and garbage and refuse service.

28 (j) Regulation or orderly transfer of responsibility for any
29 special districts, including, but not limited to, established

1 historic districts, downtown development districts, tax increment
2 financing districts, and land subject to any land transfer
3 agreements.

4 (k) Provision for any authorities that the township has
5 established or in which the township is a member.

6 (l) Findings as to the fiscal impact of dissolution upon the
7 county into which the township is proposed to be disincorporated
8 and the residents of the township, including the estimated revenues
9 gained by the county and losses to any municipality from property
10 taxes and from state revenue sharing and from gas and weight
11 revenues distributed by this state to the township and the county
12 into which the township is proposed to be disincorporated.

13 (m) A process for the resolution of any dispute that may arise
14 over the implementation of the plan, if adopted, and the procedure
15 that a party to any such dispute may utilize for this process.

16 (3) The disincorporation commission may make findings as to
17 the effect of disincorporation upon collateral matters, including,
18 but not limited to, property values, public service levels and
19 costs, and local property tax rates.

20 Sec. 16v. A disincorporation plan adopted under section 16u
21 must be submitted to the township board and to the county board of
22 commissioners of the county into which the township is proposed to
23 be disincorporated. The township board and the county board of
24 commissioners may ratify the disincorporation plan. If the township
25 board and the county board of commissioners ratify the plan, the
26 question of disincorporation pursuant to the plan must be placed on
27 the ballot pursuant to section 16w. If the township board or the
28 county board of commissioners fails to ratify the disincorporation
29 plan, the question of disincorporation must be submitted to the

1 electorate as described in section 16m not more than 1 year after
2 the date the disincorporation petition was filed under section 16m.

3 Sec. 16w. (1) If the disincorporation plan is ratified under
4 section 16v, the clerk of the disincorporation commission shall
5 prepare and certify to the county clerk of the county in which the
6 township is proposed to be disincorporated ballot language
7 describing the proposed disincorporation and that includes the
8 following in substantially the following form:

9 "Shall the township of _____ be disincorporated
10 pursuant to the plan adopted by the disincorporation commission?

11 () Yes

12 () No".

13 (2) The clerk of the disincorporation commission shall certify
14 the proposed disincorporation for inclusion on the ballot at the
15 next general election, the state primary immediately before the
16 general election, or a special election not occurring within 45
17 days of a state primary or a general election, as specified by the
18 clerk of the disincorporation commission. However, the clerk of the
19 disincorporation commission shall not certify the proposed
20 disincorporation for inclusion on the ballot at either of the
21 following:

22 (a) An election to be held less than 60 days after the date of
23 certification.

24 (b) An election to be held more than 1 year after the township
25 clerk verifies the petition signatures and determines that the
26 petition is sufficient under section 16m.

27 (3) If a special election is requested by the clerk of the
28 disincorporation commission, the county clerk of the county into
29 which the township is proposed to be disincorporated shall schedule

1 the election in compliance with section 641 of the Michigan
2 election law, 1954 PA 116, MCL 168.641. The proposal must be
3 submitted to the qualified and registered electors residing in the
4 township and the county into which the township is proposed to be
5 disincorporated at that election.

6 (4) If a disincorporation commission fails to adopt a plan
7 under section 16u or the clerk of the disincorporation commission
8 does not certify the proposed disincorporation for inclusion on the
9 ballot under this section, the question of disincorporation must be
10 submitted to the electors described in section 16m not more than 1
11 year after the date the disincorporation petition was filed under
12 section 16m.

13 Sec. 16x. (1) The proposed disincorporation is approved by the
14 electors and takes place pursuant to the plan adopted under section
15 16u only if a majority of each of the following votes cast on the
16 question of the proposed disincorporation are in favor of the
17 disincorporation:

18 (a) The votes cast by the electors of the township.

19 (b) The votes cast by the electors of the county into which
20 the township is proposed to be disincorporated, excluding votes
21 cast by residents of the township.

22 (2) Unless the proposed disincorporation is approved as
23 provided in subsection (1), the proposed disincorporation pursuant
24 to a plan adopted under section 16u is disapproved by the electors
25 and the township must not be disincorporated pursuant to the plan.

26 Sec. 16y. If an incorporated village is located within the
27 boundaries of a township that becomes part of a county, the village
28 continues to be an incorporated village within the boundaries of
29 the county.

1 Sec. 16z. A new petition must not be filed under section 16m
2 less than 2 years after the election if the disincorporation is
3 disapproved by the electors at an election held under section 16m
4 or 16w.