## Legislative Analysis



# EXEMPT CERTAIN CHARTER TOWNSHIPS FROM ANNEXATION

House Bill 4866 as introduced Sponsor: Rep. Matt Koleszar

**Committee: Local Government and Municipal Finance** 

**Complete to 10-24-23** 

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

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### **SUMMARY:**

House Bill 4866 would amend the Charter Township Act to prohibit the annexation and detachment of territory in a charter township with a population of over 20,000 if the township fulfills certain requirements.

Currently, a charter township generally cannot be subject to annexation by a contiguous city or village if it meets all of the following criteria:

- Has a state equalized valuation of at least \$25.0 million.
- Has a population density of at least 150 people per square mile.
- Is governed by a comprehensive zoning ordinance or master plan.
- Provides solid waste disposal services<sup>1</sup> for township residents by contract, license, or municipal ownership.
- Provides water or sewer services.
- Provides fire protection.
- Provides police protection through its own police department, an intergovernmental contract, or a contract with the sheriff in addition to normal sheriff patrol.

The act specifies the following circumstances under which the exemption does not apply, even if the township meets the above criteria:

- The State Boundary Commission can order a portion or multiple portions of a charter township to be annexed to eliminate free standing islands surrounded by an annexing city or to align city or village boundaries in a manner that allows the charter township and the city or village contain uniform straight lines whenever possible.
- A portion of a charter township that is contiguous on all sides with a city or village can be annexed by that city or village if a majority of the voters in that portion of the charter township approve the annexation.
- Under certain conditions specified by the act, a charter township board and the council or board of a city or village can approve an annexation by a majority vote.
- A portion of a charter township can be annexed to a contiguous city or village if a petition is signed by 20% of the registered electors in the area proposed for annexation and a ballot question authorizing the annexation is approved by both a majority of voters in the annexing city or village and a majority of voters in the area to be annexed.

Under House Bill 4866, these exceptions would not apply to a charter township with a population of over 20,000 that meets the criteria listed above. Instead, such a township would

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<sup>&</sup>lt;sup>1</sup> Under House Bill 4866, recycling services would also qualify.

be exempt from annexation and would not be permitted to detach territory under any circumstance.

MCL 42.34

### **BACKGROUND:**

Currently, there are 35 charter townships in Michigan that have a population over 20,000, according to the 2020 census.<sup>2</sup> To be exempt from annexation under House Bill 4866, each of these townships would have to fulfill the state equalized value, population density, zoning, infrastructure, and public service criteria listed above.

House Bill 4866 is a reintroduction of several bills from prior legislative sessions, most recently House Bill 4024 of the 2013-14 session.<sup>3</sup> The bill was referred to the House Local Government committee but was not reported.

### **FISCAL IMPACT:**

The bill would have no direct fiscal impact on state revenues or expenditures. Because any potential annexations or detachments that might be prevented cannot be determined with any certainty, any local fiscal impact is indeterminate.

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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.

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 $<sup>^{2} \</sup>underline{\text{https://www.michigan.gov/mdot/-/media/Project/Websites/MDOT/Business/Local-Government/Act-51/Census/Township-Census.pdf}$ 

<sup>&</sup>lt;sup>3</sup> See also: House Bill 5779 of the 2007-08 legislative session, House Bill 6071 of the 2009-10 legislative session, and House Bill 4007 of the 2011-12 legislative session. HBs 5779 and 6071 were passed by the House but were not passed by the Senate.