



Senate Fiscal Agency
P.O. Box 30036
Lansing, Michigan 48909-7536



BILL ANALYSIS

Telephone: (517) 373-5383
Fax: (517) 373-1986

Senate Bill 896 (Substitute S-1 as reported)

Sponsor: Senator Kevin Hertel

Committee: Local Government

CONTENT

The bill would amend the Home Rule City Act to allow the legislative body of a city to contract for the maintenance or improvement of any private road in the city by creating a special assessment district. The bill also would allow a majority of property owners that owned frontage along a private road to petition a legislative body of a city to create such a special assessment district.

Proposed MCL 117.5I

BRIEF RATIONALE

Special assessment districts allow local governments to levy taxes in designated areas for specific services. Under current statute, cities do not have the ability to create a special assessment district to finance the maintenance of private roads. The ability to form a special assessment district is important because a private road's residents often cannot pay for the upkeep or improvement of the road themselves. Therefore, the bill should be passed to allow cities to adopt a financing mechanism to improve the quality of private roads.

Legislative Analyst: Alex Krabill

FISCAL IMPACT

The bill would have no fiscal impact on the State. The bill could have a minor negative fiscal impact on local units of government based on the requirement to hold public hearings. These costs could come in the form of mileage reimbursements or overhead costs of holding a public hearing.

Date Completed: 10-9-24

Fiscal Analyst: Bobby Canell