





MICHIGAN MUNICIPAL LEAGUE **CONVENTION2025**

Legislative Update

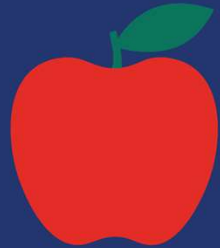
State & Federal Affairs

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Political Dynamics

Divided Government in the Legislature

- Republican House
- Democratic Senate
- Slow Motion on Policy
- No Finalized Budget as of Today

Big Election Year in 2026

- New Governor
- New Legislature
- Many Statewide Ballot Proposals

State Budget: Revenue Sharing

Currently, cities, villages, and townships are receiving \$333M in **statutory** revenue sharing payments.

- Governor's Proposal: *Increase by 4% to \$345M*
- Senate's Proposal: *Increase by 10% to \$366M*
- House's Proposal: *Reduce by 12% to \$293M*

State Budget: Public Safety

Public Safety Trust Fund

- Governor included \$75M
- House budget includes \$40M in addition to the \$75M recommended by the Governor
- The Senate did not include this in their budget
- HBs 4260 and 4261

Community Aid for Responders and Emergency Services (CARES) Fund

- Senate budget included \$118M
- Can be spent on police, fire, EMT, mental health, 911 services
 - \$60M for counties, \$40M for CVTs, \$18M for Detroit

Revenue Sharing Trust Fund

Remains the League's top legislative priority

Legislation reintroduced this term in the House as HBs 4311 (Rep. O'Neal) and 4312 (Rep. Tisdell)

- All state shared revenue for local units of government would be secured utilizing a trust fund model
- Resources are calculated based on a percentage of sales tax collected allowing resources to rise and fall with economic change
- This is achieved by dedicating 8.62% of the 4% sales tax to revenue sharing for local units of governments

Road Funding

The Positives:

- Agreement that we need \$3B
- A desire to send more money to local roads
- Protection of constitutional revenue sharing

The Proposals

- Governor:
 - Mix of new and existing revenue, protects constitutional revenue sharing, more money for locals
- House:
 - All existing revenue, protects constitutional revenue sharing, more money for local roads (Neighborhood Roads Fund)
- Senate:
 - No public plan

Road Funding Continued

The Challenges:

- Short on time
- Lack of desire to raise taxes
- Other pressing issues

Will They Find a Deal?

- Maybe
- A lot of pressure on the Governor
- Something less than \$3B?
- Phased in approach?

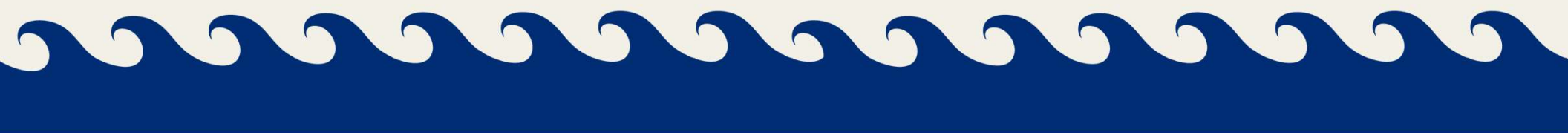
MI Home Program

MML's proposal to boost housing construction and rehabilitation while modernizing local zoning regulations. **Resulting in over 10,000 homes!**

- \$160 million annual investment over five years
- Promotes municipalities to adopt updated zoning for housing

Reduce Parking Requirements	Reduce Governing Body Approvals
Permit ADUs and Duplexes	Adopt Universal Design Standards
Adopt Pre-Approved Plans	Allow Single Room Occupancy

Resources go directly to qualified developers to spend those funds on qualified projects in eligible communities.



MI Home Program – Components

MI Home Grant – \$95 million in years one and two, \$145 million in years three through five, for grants to fill the gap when building or rehabbing attainable housing

MI Home Fund – \$50 million in years one and two to create a revolving loan fund that can be layered with grant dollars to address gaps for housing development and rehabilitation

MI Home Readiness – \$5 million annually for Housing Readiness Incentive Grants to help communities modernize their zoning ordinances in ways that encourage more housing development, plus a statewide matchmaking platform connecting municipalities and developers

MI Home Employer – \$10 million annually to continue the Employer-Assisted Housing Fund, matching employer investments to help workers secure housing

Support the MI Home Program



Environmental Issues Revisited

Hazardous Waste + Tipping Fees

- SB 246-247
- Legislation to address and deter toxic waste dumping in Western Wayne County and to increase the solid waste surcharge currently at \$.36

Reintroduction of Polluter Pay Legislation

- SBs 385-391, HBs 4636-4640

Statewide Septic Code Legislation



Labor Issues Reintroduced

Workers' Compensation Expansion

- SB 161
- Extends personal injury coverage for respiratory and heart diseases to part-time, paid-on-call, and volunteer members of police departments, fire departments, public fire authorities

Minimum Staffing

- SB 319
- Makes minimum staffing levels for PA 312 employees a mandatory topic of collective bargaining

Tax Policy: What's the Latest

- Personal Property Tax Exemptions
- Homestead Property Tax Credit
- Disabled Veteran Property Tax Exemption
- Land Bank Legislation
- Payment-In-Lieu-of Taxes (PILOT) for Battery Energy Storage Systems
- Ax MI Tax Ballot Initiative

Elections

Oath of Office

- SB 240/HB 4699 (Townships)
- SB 241/4698 (Villages – Home Rule)
- SB 242/4359 (Villages – General Law)
- SB 243/4358 (City – Home Rule)

Elections Dates (Introduction TBD)

- Move August Election
- Remove one date



Other Legislative Issues

Economic Development & Housing

- State Historic Preservation Tax Credit Program
 - HB 4503 and 4504
- Housing and Community Development Fund
 - HB 4539 and 4540
- Sunsets
 - PA 210, PA 255 and PA 146

Infrastructure

- Stormwater Utilities
 - SB 441

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