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capitol currents

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A Legislative Update for Township Officials

Legislature approves renewable energy bills; local zoning intact

On Sept. 18, both houses in the Michigan Legislature approved the long-awaited renewable energy package. Senate Bill 213, sponsored by Sen. Patty Birkholz (R-Saugatuck Twp.), and House Bill 5524, sponsored by Rep. Frank Accavitti, Jr. (D-Eastpointe), were approved in separate conference committees early in the day while receiving approval on the floor of each house later the same day.



SB 213 creates a Renewable Portfolio Standard (RPS) that requires 10 percent of electric energy generated in Michigan to come from renewable energy sources by 2015. HB 5524 changes the state's electric utility regulation system and will guarantee the state's incumbent electric providers at least 90 percent of the market. The legislation also allows up to a \$3 monthly surcharge across the state on residential rate payers in addition to similar increases for small businesses for RPS development.

For local governments, SB 213 was amended to remove language that would have negatively impacted zoning related to the siting of wind energy systems. Under the bills, existing or future township and county zoning regulations related to wind are unaffected.

The legislation sets up a commission to identify areas in the state best suited for wind generation and to make recommendations to the Michigan Public Service Commission (MPSC) about specific geographical areas to locate "wind energy resource zones." There are no limitations in the bill about the size of these zones and final determination belongs to the MPSC.

Within these zones, transmission companies will be allowed to apply to the MPSC for an expedited process for locating high-voltage lines only. There are provisions requiring the transmission companies to submit their specific route plans of their high-voltage lines and points in the process for public hearings. SB 213 also requires the MPSC to report to the

Legislature on the effects of setback requirements and noise limitations under local zoning ordinances related to wind energy development in wind energy resource zones.

MTA remained neutral on the package and only engaged late in the process when there was language inserted in the Senate that was a threat to local zoning. Both bills were presented to the governor on Sept. 24 and are expected to gain her quick approval. Once approved by the governor, Michigan will be the 27th state to have adopted an RPS standard.

Watch for an in-depth article about these soon-to-be new laws in the November issue of the *Michigan Township News*. ■

Legislature in recess until lame-duck session

The Michigan Legislature finally approved the one remaining budget bill just a week ahead of the new 2008-09 state fiscal year (beginning Oct. 1, 2008). Approval on the transportation budget (House Bill 5808) lagged several months behind all the other state budget bills and remained elusive due to House and Senate disagreements over funding to study a possible replacement for the Ambassador Bridge that spans between Detroit and Windsor, Ontario, Canada.

Approval of the transportation budget and the renewable energy package marked the most significant pieces of legislation approved during the Legislature's return to session in September. The House is adjourned until after the November election, returning to Lansing on Nov. 5. Senate members, who are not on the November ballot, are scheduled for session for three days in early October and will also return on Nov. 5.

The lame-duck session could be limited to just six days in the House and five days in the Senate or as many as 13 days in each body. No matter how few session days may be involved, the lame-duck session usually brings a flurry of activity in a very short time frame.

The MTA Legislative Department will be keeping township officials informed of any pending action relevant to township government during the remaining days of the 2007-08 legislative session. ■

House committee considers ethics bill affecting local elected officials

On Tuesday, Sept. 23, the House Ethics and Elections Committee approved House Bill 4142, introduced by Rep. Steve Bieda (D-Warren). The legislation would require *all* elected officials to file two reports each year documenting every contribution or subsidy of \$50 or more that they or a family member accepts for travel during a reporting period.



As written, there would be two reporting periods: July through December, and January through June. State elected officials would file their reports with the secretary of state while local elected officials would have to file their reports with the county clerk. These reports would be required even if an elected official had not accepted any outside contribution or subsidy for travel. As defined in the bill, "travel" means transportation, lodging or any expense related to those items.

The bill would exempt a contribution or subsidy that an elected official receives from the unit of government of which he or she is an elected official; and a contribution or subsidy that a family member receives from his or her employer for business travel.

During the committee hearing, MTA brought up several specific concerns with the legislation. Among the concerns was the fact that we are not sure there is evidence indicating there is even a need for this type of ethics reform at the local level. MTA also stated that the threshold for reporting seemed too low. At the current IRS rate for millage reimbursement (58.5 cents), an elected official could not even travel 90 miles round trip for less than \$50.

MTA further expressed concern over reporting requirements for dependents and whether this was necessary, as well as, concern about

how county clerks would view this new requirement. Likely, most county clerks would not have the staff and financial resources to review reports filed twice a year by all township, city, village, school board and county elected officials.

MTA also raised concern over a local official having to file a report even if they had never accepted compensation for travel or lodging. After this was brought to the forefront, Rep. Ed Clemente (D-Lincoln Park) offered an amendment to eliminate the reporting requirement for elected officials if no contribution or subsidy had been received for travel expenses during the reporting period. MTA believes this action was a step in the right direction.

Furthermore, both during and after the committee hearing, Rep. Bieda expressed a willingness to work with MTA and other local government interest groups to try to resolve many of the outstanding issues before further action is taken on the House floor. ■

Legislation on poverty exemptions sees action

Legislation that would change the procedures for granting property tax poverty exemptions has started to make its way through the legislative process. House Bill 6162, offered by Rep. Steve Tobocman (D-Detroit), has been reported from the House Intergovernmental, Urban and Regional Affairs Committee.

The legislation has been amended from its introduced version. The concept of making many more households eligible for the exemption has been removed from the legislation. There were discussions of moving from the current poverty level threshold to one that would include people who were living on incomes as much as twice the poverty level. The proposed changes to the law also include certain types of assets that can not be taken into consideration when determining eligibility for the exemption.

The legislation in its original form set specific standards for the minimum tax break to be given based on income levels. The legislation continues to modify the law to move the exemption from permissive to mandatory. Current law indicates that a poverty exemption *may* be granted; the new language states that the exemption *shall* be granted. However, the new proposal still allows boards of review to determine how much of an exemption shall be granted. The legislation requires the Michigan Department of Treasury to develop a new form for the granting of poverty exemptions. However, local units of government may still add additional criteria to the evaluation beyond income and asset tests.



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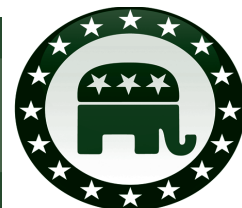
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MTA-PAC announces 2008 November general election endorsements



The Michigan Townships Association Political Action Committee (MTA-PAC) made the following endorsements for the Nov. 4 general election. Members of the MTA-PAC Committee reviewed all 110 House races and, after careful consideration, endorsed candidates in 108 districts out of a possible total of 110 House general election district races.

The PAC determined that the candidates listed below would best benefit MTA's efforts in gaining positive legislation, and stopping harmful legislation, for townships. The MTA-PAC Committee would again like to thank all of you who took the time to return your questionnaire and participate in the decision making process.

The MTA-PAC Committee would further like to encourage township officials to do all they can to support the endorsed candidates. **NOTE: All political activities must take place outside of your public office and may not involve any public resources in any manner.**

001	R-Mary Treder Lang	028	D-Lesia Liss	057	D-Dudley Spade	084	D-Terry L. Brown
002	D-LaMar Lemmons, Jr.	029	D-Tim Melton	058	R-Kenneth Kurtz	085	R-Richard J. Ball
003	D-Bettie Cook Scott	030	R-Tory Rocca	059	R-Matt Lori	086	R-Dave Hildenbrand
004	D-Coleman A. Young	031	D-Fred Miller	060	D-Robert B. Jones	087	R-Brian N. Calley
005	D-Bert Johnson	033	R-Kim Meltzer	061	R-Larry DeShazor	088	R-Bob Genetski
006	D-Fred Durhal, Jr.	035	D-Vincent Gregory	062	D-Kate Segal	089	R-Arlan B. Meekhof
007	D-Jimmie Womack	036	R-Pete Lund	063	R-James Bolger	090	R-Joseph Haveman
008	D-George Cushingberry, Jr.	037	D-Vicki Barnett	064	D-Martin J. Griffin	091	D-Mary Valentine
009	D-Shanelle Jackson	038	R-Hugh D. Crawford	065	D-Mike Simpson	092	D-Doug Bennett
010	D-Gabe Leland	039	R-Amy Peterman	066	R-Bill Rogers	093	R-Paul E. Opsommer
011	D-David E. Nathan	040	R-Chuck Moss	067	D-Barb Byrum	094	R-Kenneth B. Horn
012	D-Rashida Tlaib	041	R-Marty Knollenberg	068	D-Joan Bauer	095	D-Andy Coulouris
013	D-Andrew James Kandrevas	042	D-Harold L. Haugh	069	D-Mark S. Meadows	096	D-Jeff Mayes
014	D-Ed Clemente	043	R-Gail Haines	070	R-Thomas A. Ginster	097	R-Tim Moore
015	D-Gino H. Polidori	044	R-Eileen Kowall	071	R-Rick Jones	098	R-Jim Stamas
016	D-Bob Constan	045	R-Tom McMillin	072	R-Justin Amash	099	R-Bill Caul
017	D-Andy Dillon	046	R-James Marleau	073	R-Tom Pearce	100	R-Goeff Hansen
018	D-Richard LeBlanc	047	R-Cindy Denby	074	R-Dave Agema	101	R-Ray Franz
019	R-John J. Walsh	048	D-Richard E. Hammel	075	D-Robert Dean	102	R-Darwin L. Booher
020	D-Marc R. Corriveau	049	D-Lee Gonzales	076	D-Roy Schmidt	103	D-Joel A. Sheltrown
021	R-Todd LaJoy	050	D-Jim Slezak	077	R-Kevin J. Green	104	R-Wayne A. Schmidt
022	D-Douglas A. Geiss	051	R-Paul Scott	078	R-Sharon Tyler	105	R-Kevin A. Elsenheimer
023	D-Deb Kennedy	052	D-Pam Byrnes	079	R-John Proos	106	R-Peter A. Pettalia
024	D-Sarah Roberts	053	D-Rebekah Warren	080	R-Tonya L. Schuitmaker	107	D-Gary McDowell
025	D-Jon M. Switalski	054	D- Alma Wheeler Smith	081	R-Phil Pavlov	108	R-Mike Falcon
026	D-Marie Donigan	055	D-Kathy Angerer	082	R-Kevin Daley	109	D-Steven W. Lindberg
027	D-Ellen Cogen Lipton	056	D-Kate Ebli	083	D-John Espinoza	110	D-Michael A. Lahti



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Exemptions continued from page 2

One of the more significant changes offered in the legislation is an authorization to grant poverty exemptions for prior years. This provision could be extremely helpful in situations where a person has gone delinquent on their property taxes and only after further contact was made to the property owner was it discovered that the homeowner may have been eligible for a poverty exemption. However, the legislation requires special notification of the department of treasury when exemptions are granted for prior years. In many cases, the exemption would impact the person's income tax liability if they had received an income tax homestead credit.

Another significant change found within the legislation is the additional public notices regarding the granting of poverty exemptions. Notice will need to be included in assessment notices as well as newspaper notification.

Aside for expanding the scope of the poverty exemption, MTA has greatest concerns on the role of the township supervisor. Under current law, poverty exemptions are based on the determination of the supervisor and the board of review. The legislation, as it passed out of committee, takes the supervisor out of the decision process. This issue generated considerable discussion amongst the committee members during testimony. MTA will be working to return the duties of the supervisor as the legislation winds its way through the legislative process. ■

Working Together
for a
Better Michigan

**56th Annual
MTA
Educational
Conference
& Expo**

JAN. 28-30, 2009 DETROIT MARRIOTT RENAISSANCE CENTER

The 2009 Annual Conference & Expo is just a few months away. You will not want to miss this opportunity to network with colleagues and participate in numerous workshops on issues that will help you do your job even better. Be sure to review the 2009 Annual Conference & Expo registration brochure in the October issue of the *Michigan Township News!* Housing reservations can be made beginning at 8 a.m. on Oct. 15, 2008, at www.grandconnection.com/mta2009.