



**House
Legislative
Analysis
Section**

House Office Building, 9 South
Lansing, Michigan 48909
Phone: 517/373-6466

ANNEXATION/DETACHMENT

**House Bill 4720 as passed by the House
Sponsor: Rep. Judson Gilbert II**

**House Bill 4721 as passed by the House
Sponsor: Rep. Larry DeVuyst**

**House Bill 4722 as passed by the House
Sponsor: Rep. Ruth Ann Jamnick**

**House Bill 4723 as passed by the House
Sponsor: Rep. Mike Pumford**

**House Bill 4724 as passed by the House
Sponsor: Rep. Alan Sanborn**

**House Bill 4725 as passed by the House
Sponsor: Rep. Sue Tabor**

**Committee: Local Government and
Urban Policy
Second Analysis (1-8-02)**

House Bills 4720-4725 (1-8-02)

THE APPARENT PROBLEM:

Annexation can be an important tool for a city or village's development, but it can also profoundly limit the short- and long-term planning abilities of communities whose land is vulnerable to being annexed. Clearly, the power to alter or maintain boundaries is a core element of a community's capacity for self-determination.

The process of annexing territory often leads to extremely acrimonious relations between neighboring communities. Indeed, according to committee testimony, some local governments are still grappling with issues and hard feelings stemming from annexations that occurred before World War II. Although some may dismiss such long-simmering concerns as the product of an obstinate refusal to move forward, for a community that stands to lose land, annexation may terminate current projects, thwart concrete future plans, and undermine the ability to ensure a prosperous future. Whether or not an annexation proposal is successful, the very threat of annexation—i.e., the potential loss of land and property taxes that it represents—may effectively make the difference between a completed project and a project that must be halted midway or cancelled altogether. Still, proponents of annexation insist that municipalities need to retain the option of annexing

land. For instance, city officials argue that annexation is a key tool of economic development enabling a city to preserve its infrastructure through the expansion of its tax base. City officials also argue that cities promote sound land use policy through higher density development. Owners of township land argue that the possibility of annexation allows them greater freedom to develop their property, when the township is unable or unwilling to provide basic infrastructure.

The detachment of previously annexed territory is often as contentious a procedure as annexation. A city or village may comply with the law throughout the annexation process only to have the action annulled by equally lawful detachment proceedings. Opponents of detachment allege that is often used punitively—to avenge annexations or recently attempted annexations by targeting previous, successful annexations. Advocates of detachment argue that it is the only recourse that communities vulnerable to annexation have.

Currently there are alternatives to annexation that provide the basis for cooperation among communities. The Urban Cooperation Act (MCL 124.501 et al.) allows for the joint exercise of power

between public agencies, including local government units, as stipulated in a contract known as an interlocal agreement. The Conditional Land Transfer Act (MCL 124.21 et al.) permits the transfer of property between two or more units of local government for a period of not more than fifty years for the purpose of an economic development project. (A transfer contract negotiated under the Conditional Land Transfer Act—Public Act 425 of 1984—is often referred to as a “425 agreement.”) If communities cannot negotiate mutually acceptable terms of an interlocal agreement or a “425 agreement,” however, annexation resurfaces as an option. Moreover, there is no guarantee that a community’s officials will negotiate in good faith, if they are not already committed to building or maintaining strong relations with their neighbors. Representatives of townships believe that cities have too much power throughout the annexation process. They argue that the State Boundary Commission has operated with a pro-city, pro-annexation bias in the past and that some city officials, confident that they will prevail before the commission, make only empty gestures toward negotiation. Townships have reacted, in part, by increasingly exercising their power to detach previously annexed land. Despite heightened awareness that a successful annexation may mean little if the township feels aggrieved by the action, the threat of detachment appears more or less serious depending on the specific circumstances. Still, because detachment occurs after an annexation, a city’s officials may see the threat as a distant eventuality to be dealt with if and when it arises.

Many people contend that the current annexation and detachment processes foster parochial, myopic thinking that leads to feuds between local officials whose resources could be more productively expended. They argue that the laws should promote the positive intergovernmental relations necessary for focusing on the mutual prosperity of communities that share boundaries.

THE CONTENT OF THE BILLS:

Under current law, specific procedures vary according to the type of local government unit that annexes or detaches territory and the type of local governmental unit whose territory is proposed for annexation or detachment. Local government units are legally organized under several different statutes. Cities may operate under a special charter, a fourth class cities charter, or a home rule charter. A village may be a home rule village or a general law village. Finally, there are two kinds of townships: general law townships and charter townships. The bills would

increase uniformity in the procedures for the various types of local government units. House Bill 4722 is described in detail below. The other bills in the package would add similar provisions in the other acts. Note, however, that references to “townships” in all bills except for House Bill 4725 apply to general law townships, unless they specifically include or mention charter townships.

House Bill 4722 would amend the Home Rule Cities Act (MCL 117.9 et al.) to establish new procedures for annexing township territory with 100 or fewer residents and new procedures and conditions for detaching land from a city to a township. The bill would make other changes to the current law as specified below.

The Home Rule Cities Act states that, in general, a petition or resolution for annexation of territory by a city must be filed in the Lansing office of the State Boundary Commission. The act specifies three ways in which a resolution or petition to annex land may be submitted to the commission: (1) by resolution of the legislative body of the city to which the area is proposed to be annexed; (2) by petition by the persons, firms, corporations, the United States government, or the state or any of its subdivisions that collectively hold equitable title under a recorded land contract or record title to 75 percent or more of the area land in the territory proposed for annexation; or (3) by petition by 20 percent of the registered electors who reside in the area proposed for annexation. Under current law, the commission considers the petition or resolution’s validity, and holds a public hearing in or reasonably near the area proposed for annexation. The commission then approves, denies, or revises the petition. If the commission denies an annexation proposal, it sends a certified copy of its order to the clerk of each county, city, village, and township affected. If the commission approves the annexation and 100 or fewer people live in the territory, the commission’s order is not subject to a referendum, and the annexation takes effect. If an annexation is approved and 100 or more people live in the territory, the commission’s order becomes final 30 days after the date of the order, unless a referendum petition is filed containing the signatures of at least 25 percent of the registered electors in one or more of the three areas to be affected by the annexation: the portion of the territory approved for annexation, the annexing city, or the balance of the township. After verifying the validity of the referendum petition, the commission orders a referendum on the annexation in each area from which a valid petition is filed. If a valid petition is not filed within the 30 days, the annexation is

effective on the date set in the order. The commission rejects a petition or resolution if any of the territory proposed to be annexed was included in any petition or resolution for annexation that was filed within the previous two years and was either denied by the commission or defeated in a referendum. Certain exceptions apply; see below.

Annexation of territory with 100 or fewer residents. Under the bill, a substantially new procedure would be established for the annexation of a territory with 100 or fewer residents to a city from a township. A city, property owner, or registered electors that intended to petition the State Boundary Commission for annexation of territory with 100 or fewer residents to a city from a township would have to provide written notice of that intent. The notice of intent would have to be sent by certified mail, return receipt requested, to the clerk of any city or township that would be affected by the proposed annexation and to the State Boundary Commission. The bill would specify that once a notice of intent to petition for annexation was filed with the commission, the commission would have to finally dispose of the petition before processing any other petitions dealing with all or any part of the same territory.

The city and township could negotiate an agreement concerning the annexation of the territory; possible agreements would include—but not be limited to—the following: an agreement not to contest the annexation petition before the State Boundary Commission; the sharing of tax revenues; the future land use of the territory; any other factors or terms that could be considered or provided for in a 425 agreement or in an interlocal agreement negotiated under the Urban Cooperation Act. If no agreement was reached within 45 days after receipt of the written notice of intent, a petition for annexation could be filed with the State Boundary Commission. On the same day as the petition was filed, the petitioner would have to send a copy of the petition by certified mail, return receipt requested, to the clerks of both the city and the township in which the territory was located. No later than ten days after the 45-day period following the receipt of the notice of intent, the city or township could file a claim in the circuit court asserting that the other party failed to negotiate in good faith. If the court found that the city or township failed to negotiate in good faith, it could provide appropriate equitable relief, including, but not limited to, prohibiting the annexation for a period of up to two years or prohibiting a referendum on the annexation.

Within 30 days after the clerk of the township received the annexation petition, a petition for a township referendum on the proposed annexation, with signatures of at least 25 percent of the township's registered electors, could be filed with the county election commission. (Under current law, no referendum is allowed for city annexations of territory with 100 or fewer persons.) If a valid referendum petition was not filed within 30 days, the State Boundary Commission would proceed to process the annexation petition. However, if the county election commission certified that the referendum petition was legally valid, it would call a special election for the referendum to be held in the township within which the territory proposed for annexation was located. Although the county election commission could not schedule the referendum until 30 days after the referendum petition was filed, the governing body of the city could call for a referendum on the annexation to be held in the city on the same day as the township referendum. Up to 30 days after the referendum petition was filed, either the city or township's governing body could adopt a resolution to delay the scheduling of the referendum to allow more time for further negotiations between the city and township. In that case, the scheduling of the referendum would be delayed until 90 days after the date on which the referendum petition was certified.

The special election would be held between 60 and 90 days after the county election commission met to schedule the election, unless a primary or regular election, or a special election that had been called for another purpose, occurred in the same time period; in which case, the referendum would be submitted at the other election. Negotiations could continue after the commission scheduled the election, but if an agreement had not been reached 30 days before the date of the election, the referendum would be held, as ordered by the county election commission. The annexation would be allowed to occur only if a majority of the electors voting on the issue in the township and the city (if it held an election), voting separately, voted for the annexation. If the annexation was allowed to occur and the State Boundary Commission approved the annexation, it would send a certified copy of its order to the clerk of each county, city, and township affected and to the secretary of state. The annexation would be effective on a date set forth in the State Boundary Commission's order. The bill would specify that if a proposed annexation was defeated in such an election, the State Boundary Commission would reject any petition or resolution that contained any or

all of the territory proposed for annexation that was filed within the next two years.

An annexation for which a petition was filed with the commission before the date that the bill was enacted into law would be exempt from these procedures. Moreover, if, before a petition for annexation was filed with the State Boundary Commission, the governing bodies of a city and township approved by resolution an agreement to annex, or not to contest the annexation of, township territory with 100 or fewer residents, the procedures above would not apply, and the petition could be filed for processing by the State Boundary Commission at any time.

Detachment. Procedures currently in place for detachment from a city would apply only in the case of detachment from a city to another city or village. Territory could be detached from a city to a township only if the following conditions were met. The detachment would have to be approved by a majority vote of the qualified electors residing in each of the districts that would be affected by the proposed detachment: the territory to be detached, the remaining portion of the city, and the township to which the territory would be attached. The territory to be detached could not contain any city-owned real property, except for utilities and other facilities that were located within a public right-of-way. The territory to be detached could not have been annexed within the previous two years, calculated from the date that the most recent annexation of that territory—if any—was completed.

Annexation of adjacent, city-owned township land with no residents. Under current law, if a city owns township land that is adjacent to the city, consists of a park or a vacant property, and that has no residents, annexation may be accomplished by a resolution of the city council. The bill would specify that such a resolution would have to have been adopted by the city council before the effective date of the act for the current law to apply. However, the bill would add a more general provision covering annexation to a city of any territory that was located in a township, had no residents, and was adjacent to and owned by the city. Such land could be annexed by the affirmative majority votes of both the city council and the township board. If the territory would be used for a public purpose—i.e., if it would be exempt from the collection of taxes under the General Property Tax Act (MCL 211.1 et al.)—for a period of at least 8 years after the adoption of the resolution, the territory could be annexed by resolution of the city council alone. At any time during that eight-year period, the township could file a petition with the commission

alleging that the territory was not being used for a public purpose. If the commission concurred, after a hearing on the petition, the commission would issue and enter in its records an order that the territory be reattached to the township from which it was annexed. (General procedures for annexing territory with 100 or fewer residents discussed above would not apply.)

Annexation from another city. The bill would clarify that, in general, a city could not attach territory from any other city unless the voters of the entire cities affected approved the annexation. Currently, the law states simply that the law *may not be construed* so as to give a city the authority to annex territory from another city without such a vote. The bill would also specify that such an election would have to be held in the case of an annexation of city territory approved by the commission, if more than 100 persons resided in the area proposed for annexation, regardless of whether a referendum petition was filed. (The bill would make no substantial changes to annexation procedures for areas with more than 100 persons.) The bill would also specify that if a proposed annexation of city land was defeated by voters, the commission would reject any petition or resolution for annexation of territory that included all or any part of the territory proposed in the defeated annexation for two years following the election.

Exemptions. The law currently exempts annexations of part of a township or village to a city that are approved by the commission from certain provisions dealing with the division of assets and liabilities, except in the event of outstanding bonds or other evidence of the township's or village's indebtedness. The bill would exempt any other annexation approved under the above procedures—e.g., annexations approved by resolution of the city council or by the affirmative majority votes of both the city council and the township board—from those provisions as well.

Territory containing township-owned real property. The bill would prohibit a city from annexing territory from a township if it contained any real property owned by the township other than utilities and other facilities that were located within a public right-of-way.

Incorporation as a city by a village. The bill would specify that a village's incorporation as a city would not be considered an annexation under the act.

House Bill 4720 would amend the General Law Village Act (MCL 74.6 and 74.6b) to establish new

procedures for approving annexation proposals and new conditions and procedures for detaching general law village territory to a township. Currently, a village council may determine by resolution to alter the boundaries of a village. If it does so, the council must petition the county board of supervisors, which is authorized to make a judgment on the proposal after a public meeting in which the petition is presented and persons living in the district to be affected are given the opportunity to express their views. The law states that before the petition is presented to the board, the village clerk must publish a notice of the time and place of the meeting before the board in a newspaper of general circulation in the village for at least three weeks preceding the public hearing. If no newspaper is published in the village, then the notice must be posted in at least three public places within the village and in at least three public places in the territory affected by the proposed alteration of boundaries. After the meeting the board makes a judgment, issues an order containing its determination, and sends a certified copy of the order to the village clerk and the secretary of state. If the board approves the change of boundaries, the change of boundaries is accomplished.

The law contains no explicit references to alternatives to annexation and no provisions for a vote on annexation proposals. The bill would establish procedures for annexing territory to a village that would be virtually identical to procedures for annexing township property to a city, whether the population of the area to be annexed is more than 100 or 100 or fewer. Three differences should be noted. First, in the case of a village, the county board of commissioners and village council would be given the responsibilities that the State Boundary Commission and city council would be given by House Bill 4722. (The bill would change all references to the “county board of supervisors” to the “county board of commissioners.”) Second, the bill would not specify that the county board of commissioners had to finally dispose of an annexation petition before processing any other petitions that dealt with all or any part of the same territory. Third, the bill would not exempt village annexations from provisions dealing with the division of assets and liabilities when property is annexed. Conditions under which territory could be detached from a village to a township would be identical to the conditions under which territory could be detached from a city to a township as specified in House Bill 4722.

Notification procedures. The bill would also specify that the village clerk had to publish a notice of the

time and place of the public hearing in a newspaper of general circulation in both the village and the territory proposed to be annexed or detached, at least once each week for three consecutive weeks immediately preceding the hearing. Alternatively, the clerk could post the notice in at least three public places within the village that are not located in any territory proposed to be annexed or detached and in at least three public places within the territory to be annexed or detached.

House Bill 4721 would amend the Home Rule Village Act (MCL 78.4 et al.) to establish new conditions and procedures for detachment of home rule village territory to a township. The bill would specify that territory could be detached from a village to a township only if conditions identical to those outlined above for detachments from a city to a township were satisfied. The bill would not change procedures for proposed incorporations or consolidations. One significant change would be made to annexation procedures: the bill would prohibit the board from approving a proposed annexation if the annexation was disapproved by the board or rejected by electors within two years before the date the petition was filed. Below is a summary of current procedures for incorporations, consolidations, and all boundary changes, which would continue to apply to proposed incorporations, consolidations, and annexations.

A proposed incorporation of new territory, consolidation, or change of boundary is stated on a petition and filed with the county clerk. If the board of supervisors certifies the petition as valid, the board resolves to submit the proposal to the qualified electors of “the district to be affected.” The vote occurs at the next general election, if one is scheduled sometime between 60 and 90 days from the adoption of the resolution, or at a special election if no general election is scheduled in that time period. The voting procedure is rather complicated, involving separate votes for different regions within the “district to be affected.” The “district to be affected” by an incorporation, consolidation, or change of boundaries includes the whole of each city, village, or township from which territory is to be taken or to which territory is to be annexed. The law states that, in general, the question is to be submitted to electors residing within territory proposed to be incorporated or to electors residing within the village to which territory is to be annexed, whichever the case may be. The question must also to be submitted to the electors of the city, village, or township, from which the territory to be taken is located. Votes from electors residing in the territory proposed to be incorporated,

annexed, or detached must be kept separate from votes from electors residing in the territory that would remain in the city, village, or township from which land would be taken, if the annexation was accomplished. The proposal is accomplished if a majority of the votes in the district proposed to be incorporated or annexed are cast in favor of the proposal, and if a majority of the votes in the remainder of the district to be affected, counted collectively, are cast in favor of the of the proposal. Further, if there are no qualified electors residing within the territory proposed to be annexed or detached, and if a majority of electors voting in the remainder of the district to be affected vote in favor of the proposal, the annexation or detachment is accomplished. Finally, a new village can be incorporated from territory located in a township or townships if a majority of the voters residing within the territory proposed to be incorporated cast votes in favor of the proposal.

House Bill 4723 would amend the law establishing general law townships (1846 RS 16, MCL 41.104a) to bring procedures for annexation of any territory with 100 or fewer residents to a city or village from a general law township into conformity with the procedures that would be established by House Bills 4720, 4721, and 4722. The bill would also amend the general law township law to bring procedures for detachment of any territory from a city or village to a general law township into conformity with the procedures that would be established by those bills.

House Bill 4724 would amend the act that prescribes the powers and duties of the State Boundary Commission (MCL 123.1011b) to clarify that annexations of territory in a township that had 100 or fewer residents would be subject to the referendum and election process that would be established under House Bill 4722.

House Bill 4725 would amend the Charter Township Act (MCL 42.34) to establish new procedures for annexing charter township territory to a city or village and clarifies detachment procedures by references to changes that would be made by other bills. The act currently sets forth conditions under which a charter township is generally exempt from annexation. (Historically, protection from annexation is one reason why general law townships have converted to charter townships.) However, the law also sets forth several exceptions to this exemption. The bill would not change the conditions for exemption, but would make several changes to individual exceptions to the exemption and the procedures that would have to be followed for

accomplishing an annexation. The new annexation procedures are similar to the procedures that House Bill 4722 would establish in the case of annexations of general law township territory with 100 or fewer residents. The following summary highlights deviations from that process and does not discuss exceptions to charter township's exemption from annexation that would not be changed by the bill.

Annexation by petition of 20 percent of registered electors and election. Under current law, a portion of a charter township contiguous to a city or village may be annexed to that city or village if 20 percent of the registered electors in the area to be annexed sign a petition and the annexation is approved in an election. A majority of the qualified and registered voters voting on the question in the city or village to which the portion is to be annexed and a majority in the portion of the township which is to be annexed would be required for approval.

The bill would add the following steps to the annexation process. A city, village, property owner, or registered elector that intended to petition for annexation territory to a city or village from a charter township would have to provide written notice of that intent, regardless of the number of residents of the territory. The written notice would have to be sent to the clerk of any city, village, or township that would be affected by the proposed annexation; the State Boundary Commission would not be involved in the process. If no agreement was reached within 45 days of receiving the notice of intent, a petition for annexation could be filed. The city, village, or township could file a claim within 10 days of the end of the 45-day negotiation period alleging that the other party did not negotiate in good faith. If the court concurred, it could, among other possible provisions of equitable relief, prohibit the annexation for a period of not more than two years or prohibit a referendum. If, within 30 days after the clerk of the charter township received the annexation petition, the county election commission certified as valid a referendum petition containing at least 25 percent of the registered electors in the affected township, it would approve a referendum for the township. The issue would be placed on the ballot at the same election in which the question was voted on by the voters in the annexing city or village and the voters in the portion of the township that would be annexed. The annexation would only be allowed to occur if approved by a majority of the electors voting on the issue in the annexing city or village, in the territory proposed for annexation, and in the balance of the township within which the territory proposed for annexation was located. If a valid petition was not

filed, voters in the annexing city or village and the voters in the portion of the township to be annexed would still have to approve the annexation, as specified in current law. The bill would not change the current law's specifications for the timing of the referendum.

Detachment. The bill would specify that detachment of any territory from a city or village to a charter township would be subject to procedures set forth in House Bills 4720, 4721, and 4722.

State Boundary Commission annexations and annexations of contiguous portions of a township. Under current law the State Boundary Commission may order a portion or portions of a charter township to be annexed in two cases. First, the commission may order annexation to eliminate free-standing islands of the township that are completely surrounded by an annexing city. Second, the commission may order annexation to straighten or align the exterior boundaries of the city or village to ensure that the township and city or village have uniform straight boundaries wherever possible. The bill would specify that the annexation of territory with more than 100 residents that was ordered by the commission would be subject to the procedures outlined in the Home Rule City Act, as revised by House Bill 4722. The law also states that if a portion of a charter township is contiguous on all sides with a city or village, that portion may be annexed by the city or village with the approval of a majority of electors in that portion of the charter township. The bill would specify that only an annexation of a portion of a charter township that was contiguous on all sides with a city or village and that had more than 100 residents could be approved by a majority of the electors of that portion. For either an annexation of charter township territory ordered by the commission or an annexation of a contiguous portion of a charter township, if the territory had 100 or fewer residents, procedures set forth in House Bills 4720, 4721, or 4722 would apply, depending on the type of local government unit annexing the territory.

Annexations with support of 100 percent of qualified electors or owners of 50 percent of property. If the only qualified electors residing in the territory proposed to be annexed are the persons petitioning, or if a petition is signed by one or more persons, firms, corporations, the United States government, or the state or any of its subdivisions that collectively own more than one-half of the area of the land, a petition may be filed with the city or village and the township board. The annexation may be accomplished by the affirmative majority vote of the

city council or village board and the approval of the charter township board. The bill would specify that the annexation could include an agreement as would be allowed by House Bill 4722, in the case of annexations of territory with 100 or fewer residents.

FISCAL IMPLICATIONS:

According to the House Fiscal Agency, local units of government could incur increased costs due to the administration of elections required for annexation and detachment proceedings. Also, to the extent that local units of government exercised their authority to file a claim in a circuit court asserting that other local units of government had failed to negotiate in good faith, the local units of government could incur additional legal expenses. (10-31-01; 1-2-02)

ARGUMENTS:

For:

The bills would create a legal framework encouraging good-faith negotiation and explicitly acknowledging a wide variety of different mutually beneficial agreements that communities could make. If parties amicably agreed to use territory in a way that would benefit both communities, the wrangling over annexation and detachment would decrease significantly, if not disappear altogether. Moreover, if the parties did not come to such an agreement, and either community believed that the other was not negotiating in good faith, it would have recourse to the circuit court. If the parties did not amicably agree, and there was no question of whether the parties had negotiated in good faith, the voters of the township—regardless of the population of the territory proposed to be annexed—would have the potential to approve or disapprove of the annexation. Likewise, city voters would be given an independent role in detachment proceedings. Moreover, territory could not be detached within two years of its having been annexed, providing cities that had followed proper procedures for annexation some assurance that the annexation would stand. Finally, territory that had community-owned, real property—other than utilities and other facilities located within a public right-of-way—could not be detached or annexed, thus providing communities with both protection for their investments and an enhanced ability to plan for the future. Such measures would help reduce the level of contentiousness in annexation and detachment proceedings.

Supporters of the bills have been very clear that the bills represent a compromise. While conceding that

the bills would not satisfy the interests of all parties involved, they argue that no legislation could do so, and that the bills would take significant steps in the right direction.

Response:

Most people agree that it is important to encourage negotiation and cooperation where it is possible. However, by adding negotiation time into the formal process and authorizing the circuit court to rule on whether negotiations had been held in good faith, the bill could significantly extend a process that is already quite lengthy. The State Boundary Commission already takes up to a year to decide some cases, and its order is—and would remain—subject to judicial review. The commission would also be required to rule on whether property was being used for a “public purpose,” in the case of city, or village, annexations of township territory that is owned by the city or village. In addition to concerns about the lengthiness of the process, the term “good-faith negotiation” is vague, and because the processes are new, there would be no body of precedent to which courts could appeal. Some people expect many years of costly litigation to ensue, if the bills become law.

Against:

Supporters argue that the bills represent an agreement between representatives of local governmental units. Some opponents contend that the bills fail to sufficiently acknowledge the interests and rights of property owners, and thus fall short of a true compromise or consensus. For instance, the bills would create the possibility for a township-wide referendum in the case of an annexation of vacant township land, unless the land was adjacent to and owned by the annexing city. Since an estimated 80 percent of all annexations are annexations of vacant township land, this could create a significant obstacle for property owners who want their land to be annexed. Moreover, property owners of township territory with 100 or fewer residents could still find themselves annexed to a city, against their will, unless they got signatures of at least 25 percent of registered electors in the township to sign a petition within a 30-day period.

Response:

There is no generally recognized right for an owner of land to actively choose the local governmental unit with jurisdiction over the land. Communities have interests in land within the community beyond the interests of any individual property owner and thus they should have some say over the fate of land within the community. Besides, by encouraging good-faith negotiation, the bills would likely lead to

amicable annexations in many cases where current procedures lead to annexations fraught with contention; this could lead to a more efficient annexation process for a property owner who could convince both communities that a certain use of land would benefit them.

Against:

Some people believe that townships should automatically be given a vote on annexation proceedings. They argue that, in the case of annexations of township territory with 100 or fewer residents, requiring parties who oppose an annexation to get signatures of 25 percent of the registered electors residing in the entire township within 30 days in order to have a referendum is burdensome. Moreover, it is not clear whether the notification requirements, as set forth in the case of a village annexing a portion of a township, would really bring the issue to the public’s attention. Many people do not subscribe to local newspapers—the only newspapers that could be construed as “in general circulation”—and finding three public places within the portion of a territory to be annexed could be quite difficult in many cases. The burden of informing the public of the proposed annexation and getting the petition signatures would fall upon the residents who lived in the territory, and with so few residents in the area to be annexed, the vast majority of the township might disregard their concerns, as theirs alone.

POSITIONS:

The Michigan Municipal League supports the bills. (1-2-02)

The Michigan Townships Association supports the bills. (1-2-02)

The Department of Consumer and Industry Services has no official position on the bills. (1-7-01)

The Michigan Association of Realtors has no official position on the bills. (1-2-02)

The Michigan Association of Homebuilders opposes the bills. (1-2-02)

Analyst: J. Caver

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.