

HOUSE BILL NO. 6375

November 12, 2020, Introduced by Reps. Coleman, Meerman and Steven Johnson and referred to the Committee on Government Operations.

A bill to amend 1909 PA 279, entitled
"The home rule city act,"
by amending sections 3, 4g, 5, 5e, 10, and 15 (MCL 117.3, 117.4g, 117.5, 117.5e, 117.10, and 117.15), section 3 as amended by 2012 PA 7 and section 5 as amended by 2011 PA 133.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 3. Each city charter ~~shall~~**must** provide for all of the
- 2 following:
- 3 (a) The election of a mayor, who ~~shall be~~**is** the chief

1 executive officer of the city, and of a body vested with
2 legislative power, and for the election or appointment of a clerk,
3 a treasurer, an assessor or board of assessors, a board of review,
4 and other officers considered necessary. The city charter may
5 provide for the selection of the mayor by the legislative body.
6 Elections may be by a partisan, nonpartisan, or preferential
7 ballot, or by any other legal method of voting. Notwithstanding
8 another law or charter provision to the contrary, a city having a
9 1970 official population of more than 150,000, whose charter
10 provides for terms of office of less than 4 years, and in which the
11 term of office for the mayor and the governing body are of the same
12 length, may provide by ordinance for a term of office of up to 4
13 years for mayor and other elected city officials. The ordinance
14 ~~shall~~**must** provide that the ordinance ~~shall take~~**takes** effect 60
15 days after it is enacted unless within the 60 days a petition is
16 submitted to the city clerk signed by not less than 10% of the
17 registered electors of the city requesting that the question of
18 approval of the ordinance be submitted to the electors at the next
19 regular election or a special election called for the purpose of
20 approving or disapproving the ordinance.

21 (b) The nomination of elective officers by partisan or
22 nonpartisan primary, by petition, or by convention.

23 (c) The time, manner, and means of holding elections and the
24 registration of electors, subject to section 26 and other
25 applicable requirements of law.

26 (d) The qualifications, duties, and compensation of the city's
27 officers. If the city has an appointed chief administrative
28 officer, the legislative body of the city may enter into an
29 employment contract with the chief administrative officer extending

1 beyond the terms of the members of the legislative body unless the
2 employment contract is prohibited by the city charter. An
3 employment contract with a chief administrative officer ~~shall~~**must**
4 be in writing and ~~shall~~**must** specify the compensation to be paid to
5 the chief administrative officer, any procedure for changing the
6 compensation, any fringe benefits, and other conditions of
7 employment. The contract ~~shall~~**must** state if the chief
8 administrative officer serves at the pleasure of the legislative
9 body, and the contract may provide for severance pay or other
10 benefits in the event the chief administrative officer's employment
11 is terminated at the pleasure of the legislative body.

12 (e) The establishment of 1 or more wards, and if the members
13 of the city's legislative body are chosen by wards, for equal
14 representation for each ward in the legislative body.

15 (f) That the subjects of taxation for municipal purposes are
16 the same as for state, county, and school purposes under the
17 general law.

18 (g) The annual ~~laying~~**levying** and collecting taxes in a sum,
19 except as otherwise provided by law, not to exceed 2% of the
20 taxable value of the real and personal property in the city. Unless
21 the charter provides for a different tax rate limitation, the
22 governing body of a city may levy and collect taxes for municipal
23 purposes in a sum not to exceed 1% of the taxable value of the real
24 and personal property in the city. As used in this subdivision,
25 "taxable value" is that value determined under section 27a of the
26 general property tax act, 1893 PA 206, MCL 211.27a.

27 (h) An annual appropriation of money for municipal purposes.

28 (i) The levy, collection, and return of state, county, and
29 school taxes in conformance with the general laws of this state,

1 except that the preparation of the assessment roll, the meeting of
 2 the board of review, and the confirmation of the assessment roll
 3 may be at the times provided in the city charter.

4 (j) The public peace and health and for the safety of persons
 5 and property. In providing for the public peace, health, and
 6 safety, a city may expend funds or enter into contracts with a
 7 private organization, the federal or state government, a county,
 8 village, or township, or another city for services considered
 9 necessary by the legislative body. Public peace, health, and safety
 10 services may include the operation of child guidance and community
 11 mental health clinics, the prevention, counseling, and treatment of
 12 developmental disabilities, the prevention of drug abuse, and the
 13 counseling and treatment of drug abusers.

14 (k) ~~Adopting, Before January 1, 2022, adopting,~~ continuing,
 15 amending, and repealing the city ordinances and for the publication
 16 of each ordinance before it becomes operative. ~~Whether Before~~
 17 **January 1, 2022, whether** or not provided in its charter, instead of
 18 publishing a true copy of an ordinance before it becomes operative,
 19 the city may publish a summary of the ordinance. ~~If Before January~~
 20 **1, 2022, if** the city publishes a summary of the ordinance, the city
 21 ~~shall must~~ include in the publication the designation of a location
 22 in the city where a true copy of the ordinance can be inspected or
 23 obtained. **Beginning January 1, 2022, each city charter must provide**
 24 **for adopting, continuing, amending, and repealing the city**
 25 **ordinances and for posting public notice of each ordinance before**
 26 **it becomes operative as set forth in the local government public**
 27 **notice act.** A charter provision to the contrary notwithstanding, a
 28 city may adopt an ordinance punishable by imprisonment for not more
 29 than 93 days or a fine of not more than \$500.00, or both, if the

1 violation substantially corresponds to a violation of state law
2 that is a misdemeanor for which the maximum period of imprisonment
3 is 93 days. Whether or not provided in its charter, a city may
4 adopt a provision of a state statute for which the maximum period
5 of imprisonment is 93 days or the Michigan vehicle code, 1949 PA
6 300, MCL 257.1 to 257.923. Except as otherwise provided under the
7 Stille-DeRossett-Hale single state construction code act, 1972 PA
8 230, MCL 125.1501 to 125.1531, a city may adopt a law, code, or
9 rule that has been promulgated and adopted by an authorized agency
10 of this state pertaining to fire, fire hazards, fire prevention, or
11 fire waste, and a fire prevention code, plumbing code, heating
12 code, electrical code, building code, refrigeration machinery code,
13 piping code, boiler code, boiler operation code, elevator machinery
14 code, an international property maintenance code, or a code
15 pertaining to flammable liquids and gases or hazardous chemicals,
16 that has been promulgated or adopted by this state, by a
17 department, board, or other agency of this state, or by an
18 organization or association that is organized and conducted for the
19 purpose of developing the code, by reference to the law, code, or
20 rule in an adopting ordinance and without publishing **or posting** the
21 law, code, or rule in full. The law, code, or rule ~~shall~~**must** be
22 clearly identified in the ordinance and its purpose ~~shall~~**must** be
23 published **or posted** with the adopting ordinance. Printed copies of
24 the law, code, or rule ~~shall~~**must** be kept in the office of the city
25 clerk, available for inspection by, and distribution to, the public
26 at all times. The publication ~~shall~~**or posting must** contain a
27 notice stating that a complete copy of the law, code, or rule is
28 made available to the public at the office of the city clerk in
29 compliance with state law requiring that records of public bodies

1 be made available to the general public. Except as otherwise
 2 provided in this subdivision, a city shall not enforce a provision
 3 adopted by reference for which the maximum period of imprisonment
 4 is greater than 93 days. A city may adopt section 625(1)(c) of the
 5 Michigan vehicle code, 1949 PA 300, MCL 257.625, by reference in an
 6 adopting ordinance and shall provide that a violation of that
 7 ordinance is punishable by 1 or more of the following:

8 (i) Community service for not more than 360 hours.

9 (ii) Imprisonment for not more than 180 days.

10 (iii) A fine of not less than \$200.00 or more than \$700.00.

11 (l) That the business of the legislative body ~~shall~~**must** be
 12 conducted at a public meeting held in compliance with the open
 13 meetings act, 1976 PA 267, MCL 15.261 to 15.275. All records of the
 14 municipality ~~shall~~**must** be made available to the general public in
 15 compliance with the freedom of information act, 1976 PA 442, MCL
 16 15.231 to 15.246.

17 (m) Keeping in the English language a written or printed
 18 journal of each session of the legislative body.

19 (n) A system of accounts that conforms to a uniform system of
 20 accounts as required by law.

21 Sec. 4g. Each city may in its charter provide:

22 (1) For the acquisition by construction, condemnation, or
 23 purchase and for the ownership, equipment, possession, leasing,
 24 operation, and maintenance of a rapid transit system consisting of
 25 a tunnel, subway, surface, or elevated system, or any combination
 26 and qualification of these, in and through ~~said~~**the** city, and for a
 27 distance of not more than 10 miles beyond its limits, for the
 28 purpose of furnishing transportation facilities to the municipality
 29 and to the people ~~thereof~~**; of the municipality**; for the preparation

1 and publication of plans for ~~such-the~~ construction, equipment, and
 2 maintenance in accordance with charter provisions adopted
 3 ~~hereunder;~~ **under this section;** for the operation of ~~such-the~~
 4 facilities independently or in connection with other transportation
 5 facilities, or **a** transportation system, owned, operated, or
 6 controlled by ~~such-the~~ city or existing ~~therein,~~ **in the city,** or in
 7 the territory in which any ~~such-the~~ rapid transit system is
 8 established; for the appropriate designation of ~~such-the~~
 9 facilities; for the taking of the fee of or easement or right of
 10 way on, under, above, and through any property for the purposes
 11 thereof, by gift, grant, and purchase, and by condemnation
 12 proceedings in accordance with any law of ~~the-this~~ state of
 13 ~~Michigan~~ providing therefor; and for the management of ~~such-the~~
 14 facilities ~~,~~ for the purposes for which the same are or may be
 15 acquired or constructed. Provision may also be made for the
 16 execution of contracts incidental to the carrying out of the
 17 purposes ~~hereby~~ contemplated. ~~In the event that~~ **If** property is
 18 taken by condemnation under any statute, ~~pertaining thereto,~~ the
 19 actual benefits accruing to or received by a remainder of ~~any-such~~
 20 **that** parcel on account of the construction of the improvement ~~shall~~
 21 **must** be taken into account in determining the damages to be awarded
 22 by way of compensation to the owner or owners of ~~such-the~~ property.
 23 The charter ~~shall-must~~ also provide for the proper financing of the
 24 acquisition and construction of any ~~such-rapid transit~~ system and
 25 facilities by direct taxation, special assessments on the basis of
 26 benefits actually and exclusively received by property affected by
 27 any ~~such~~-improvement, or by borrowing money and issuing bonds or
 28 other evidence of indebtedness therefor, or by a combination of
 29 ~~such-these~~ methods; and for the defraying of the cost of

1 maintenance, operation, and management of ~~such~~**these** facilities and
 2 for payment of interest on and a sinking fund to retire any bonds
 3 issued under this subsection, from the revenues received as a
 4 result of the operation ~~thereof~~**of the rapid transit system** by the
 5 city. Bonds executed and sold for the purpose of raising money to
 6 cover the cost of ~~such~~**the** acquisition and construction may be
 7 issued on the faith and credit of the city or same may be secured
 8 by mortgage on the property and revenues of the utility established
 9 ~~pursuant hereto.~~**under this section.** The aggregate amount of bonds
 10 issued on the faith and credit of the city under this subsection
 11 ~~shall~~**must** not exceed ~~2 per cent~~**2%** of the assessed valuation of
 12 the taxable property within ~~said~~**the** city for the preceding fiscal
 13 year; and in computing the total indebtedness of the city for the
 14 purpose of determining whether any other limitation prescribed by
 15 law has been exceeded, ~~such~~**the** bonds ~~shall~~**must** not be included.
 16 Except as ~~is in this subsection~~ otherwise specifically provided **in**
 17 **this subsection**, all bonds issued by a city for the purposes ~~hereby~~
 18 contemplated ~~shall be~~**are** subject to the restrictions and
 19 conditions prescribed in section ~~4-a of this act.~~ **In case 4a. If a**
 20 provision is made in the charter for raising money by direct
 21 taxation for the purposes ~~hereof,~~**of this section**, the amount of
 22 ~~such~~**the** tax levied and assessed in any year ~~shall~~**must** not exceed
 23 $1/6$ of ~~1 per cent~~**1%** of the assessed valuation of the city for ~~such~~
 24 **that** year; and the amount of any such tax ~~shall~~**must** not be subject
 25 to any other limitations prescribed by law ~~,~~ or considered in
 26 determining whether any such limitation has been exceeded. ~~In no~~
 27 ~~case shall~~**Not** more than ~~60 per cent~~**60%** of the total estimated
 28 cost of acquiring or constructing any ~~such~~ rapid transit system or
 29 portion of extension ~~thereof,~~**of any rapid transit system must** be

1 raised by direct taxation, and by ~~the issuance of~~ **issuing** bonds on
 2 the faith and credit of the city. As incidental to the authority
 3 hereby granted, provision may be made in any city charter for the
 4 exercise of powers incidental to the accomplishment of the purposes
 5 ~~hereof, of this section,~~ and reasonably calculated and designed to
 6 facilitate the furnishing of adequate transportation facilities by
 7 the means ~~aforesaid~~ **provided in this section** to the municipality
 8 and the people ~~thereof. No~~ **of the municipality. Before January 1,**
 9 **2022,** a charter amendment or amendments, contemplating and
 10 providing for the exercise of the powers referred to in this
 11 subsection, ~~shall~~ **must not** be submitted to a vote of the electors
 12 unless and until the ~~same shall~~ **charter amendment or amendments**
 13 have been published pursuant to the direction of the legislative
 14 body of the city ~~in~~ at least 1 newspaper having a general
 15 circulation in ~~such~~ **the** city at least once each week for 3 weeks in
 16 succession during the 30-day period immediately ~~preceding~~ **before**
 17 the date of the election. ~~and no~~ **Beginning January 1, 2022, a**
 18 **charter amendment or amendments, contemplating and providing for**
 19 **the exercise of the powers referred to in this subsection, must not**
 20 **be submitted to a vote of the electors unless and until public**
 21 **notice of the charter amendment or amendments is posted as set**
 22 **forth in the local government public notice act during the 30-day**
 23 **period immediately before the date of the election. A plan for**
 24 construction and operation of any rapid transit system ~~shall~~ **must**
 25 **not** be put into effect unless the ~~same shall~~ **plan has** first have
 26 been submitted to the qualified electors of the city and approved
 27 ~~thereby. Such~~ **by the electors of the city. The** submission of ~~the~~
 28 plan ~~shall~~ **must** be made ~~subsequent to~~ **after** the enactment of ~~said~~
 29 ~~the~~ charter amendments either at a general election or a special

1 election called for that purpose by the legislative body of the
 2 city. ~~Such~~ **Before January 1, 2022, the** contemplated plan ~~shall,~~
 3 **must,** before its submission, and as a condition prerequisite
 4 ~~thereto,~~ **to its submission,** be published once each week for 6 weeks
 5 in succession in some daily newspaper having a general circulation
 6 within the city, during the 60-day period immediately ~~preceding~~
 7 **before** the date of submission to the electors. ~~;~~ ~~and the~~ **Beginning**
 8 **January 1, 2022, during the 60-day period immediately before the**
 9 **date of submission to the electors, public notice of the**
 10 **contemplated plan must, before its submission, and as a condition**
 11 **prerequisite to its submission, be posted as set forth in the local**
 12 **government public notice act. The** contemplated plan as ~~so~~ published
 13 ~~shall~~ **or posted must** specify the route or routes of the proposed
 14 rapid transit system, the type of construction proposed for the
 15 various sections or parts thereof, ~~of the proposed rapid transit~~
 16 **system,** the method or methods for financing the improvement, the
 17 order in which the various sections or parts are to be constructed
 18 or acquired, the system of management to be adopted, the estimated
 19 cost of the various sections or parts of the system, and ~~such~~ **any**
 20 other matters ~~as~~ the legislative body of the city ~~shall require.~~
 21 ~~Provided, however, That~~ **requires. However,** the financial plan ~~so~~
 22 submitted ~~shall~~ **must** not permit special assessments against any
 23 property in excess of actual benefits, meaning increased value,
 24 accruing exclusively as a result of ~~said~~ **the** improvement; and the
 25 payment of ~~such~~ special assessments made under this subsection ~~;~~
 26 ~~shall~~ **must** be prorated over a period of not less than 10 years.

27 (2) For negotiating, executing, and performing contracts with
 28 any other municipality or municipalities, duly authorized and
 29 empowered to that end, with reference to the construction,

1 equipment, operation, maintenance, and management of a rapid
 2 transit system and facilities, and for the financing of any
 3 obligations, assumed under or imposed by any ~~such~~ contract. The
 4 grants, limitations, and restrictions set forth in ~~the preceding~~
 5 ~~subsection of this section shall be deemed~~ **subsection (1) are**
 6 **considered** applicable to ~~, and shall~~ **must** be observed in ~~the~~
 7 ~~adoption of,~~ **adopting** charter provisions and amendments ~~hereunder~~
 8 **under this section** and in ~~the exercise of~~ **exercising** the authority
 9 ~~hereby~~ granted.

10 Sec. 5. (1) A city does not have power to do any of the
 11 following:

12 (a) To increase the rate of taxation now fixed by law, unless
 13 the authority to do so is given by a majority of the electors of
 14 the city voting at the election at which the proposition is
 15 submitted, but the increase in any case ~~shall~~ **must** not be in an
 16 amount as to cause the rate to exceed 2%, except as provided by
 17 law, of the assessed value of the real and personal property in the
 18 city.

19 (b) To submit to the electors a charter more often than once
 20 in every 2 years, nor unless the charter is filed with the city
 21 clerk 60 days before the election, but this provision ~~shall~~ **does**
 22 not apply to the submission and resubmission of charters of cities
 23 that may be incorporated under this act until they ~~shall~~ **must** have
 24 first adopted a charter. ~~Where~~ **If** a city submits to the electors a
 25 charter and the charter is adopted by the electors, and the city
 26 has operated under the charter, which charter has not, at the time
 27 it is adopted, been on file with the city clerk 60 days, then the
 28 legislative body of the city, upon its giving the notice of
 29 election as provided in the charter, may resubmit to the electors,

1 at a special or general election, the charter, which, if adopted by
2 the electors, ~~shall be~~**is** considered operative and effective as of
3 the date of the first submission and adoption. The charter ~~shall~~
4 **must** not be resubmitted unless 60 days have elapsed between the
5 date of the filing of the charter and the date of the election at
6 which the charter is resubmitted.

7 (c) To call more than 2 special elections within 1 year. This
8 prohibition does not apply to elections that may be held in the
9 submission and resubmission of charters of cities that may be
10 incorporated under this act until they have first adopted a
11 charter, and does not apply to elections that may be held in the
12 resubmission of a charter once adopted as provided in subdivision
13 (b) .

14 (d) To decrease the salary of a municipal judge after his or
15 her election or appointment, or during the judge's term of office,
16 notwithstanding any charter provision to the contrary. The term of
17 a public official ~~shall~~**must** not be shortened or extended beyond
18 the period for which the official is elected or appointed, unless
19 he or she resigns or is removed for cause, if the office is held
20 for a fixed term.

21 (e) To adopt a charter or an amendment to the charter unless
22 approved by a majority of the electors voting on the question; to
23 sell a park, cemetery, or any part of a park or cemetery, except
24 where the park is not required under an official master plan of the
25 city; to engage in a business enterprise requiring an investment of
26 money in excess of 10 cents per capita; or to authorize an issue of
27 bonds except bonds issued in anticipation of the collection of
28 taxes actually levied and uncollected or for which an appropriation
29 has been made; bonds that the city is authorized by its charter to

1 issue as part of its budget system, to an amount that in any year,
2 together with the taxes levied for the same year, will not exceed
3 the limit of taxation authorized by law; special assessment bonds;
4 bonds for the city's portion of local improvements; refunding
5 bonds; emergency bonds; ~~as defined by this act;~~ and bonds that the
6 legislative body is authorized by specific statute to issue without
7 vote of the electors, unless approved by a majority of the electors
8 voting on the question at a general or special election. In
9 addition, a city that now has, or may subsequently have, a
10 population of 750,000 persons or more may issue bonds, upon
11 resolution of its governing body, without prior approval of the
12 electors, which the city is authorized by its charter to issue as
13 part of its budget system, to an amount that in any year, together
14 with the ad valorem taxes levied for the same year, exclusive of
15 debt service taxes or taxes levied pursuant to other laws, will not
16 exceed 2-1/2% of the assessed value of the real and personal
17 property in the city, this limitation to supersede and take the
18 place of any contrary language in any existing city charter. For
19 the purposes of this subdivision only, the assessed value of real
20 and personal property in any city ~~shall include~~ **includes** the
21 assessed value equivalent of money received during the city's
22 fiscal year under the Glenn Steil state revenue sharing act of
23 1971, 1971 PA 140, MCL 141.901 to 141.921. The assessed value
24 equivalent ~~shall~~ **must** be calculated by dividing the money received
25 by the city's millage rate for the fiscal year. Notwithstanding the
26 former provisions of this subdivision requiring approval by 3/5 of
27 the electors voting on the question as a prerequisite to the
28 exercise of certain powers, these powers may be exercised if
29 approved by a majority of the electors voting on the question at a

1 general or special election held on or after April 1, 1966.

2 (f) To make a contract with, or give an official position to,
3 one who is in default to the city.

4 (g) To issue bonds without providing a sinking fund to pay
5 them at maturity, except as provided in section 4g(1), but sinking
6 funds ~~shall~~**are** not ~~be~~ required in the case of serial bonds that
7 fall due annually. ~~Bonds,~~**Before January 1, 2022, bonds,** whether
8 authorized under this act or any other act, except refunding bonds,
9 revenue bonds, motor vehicle highway fund bonds, rehabilitation
10 bonds, judgment bonds, bonds or other obligations issued to fund an
11 operating deficit of a city, bonds or other obligations to pay
12 premiums or to establish funds to self-insure for losses as
13 authorized by the revised municipal finance act, 2001 PA 34, MCL
14 141.2101 to 141.2821, bonds the issuance of which has been approved
15 by the voters, and bonds issued to comply with an order of a court
16 of competent jurisdiction ~~shall~~**must** not be issued by a city unless
17 notice of ~~the issuance of~~**issuing** the bonds is published once in a
18 newspaper of general circulation in the city at least 45 days
19 before ~~the issuance of~~**issuing** the bonds, within which period a
20 petition may be filed with the legislative body signed by not less
21 than 10% or 15,000 of the registered electors in the city,
22 whichever is less, in which event the legislative body shall submit
23 the question of ~~the issuance of~~**issuing** the bonds to the electors
24 of the city ~~,~~**at a regular or special election in the city.**
25 **Beginning January 1, 2022, bonds, whether authorized under this act**
26 **or any other act, except refunding bonds, revenue bonds, motor**
27 **vehicle highway fund bonds, rehabilitation bonds, judgment bonds,**
28 **bonds or other obligations issued to fund an operating deficit of a**
29 **city, bonds or other obligations to pay premiums or to establish**

1 funds to self-insure for losses as authorized by the revised
 2 municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, bonds
 3 the issuance of which has been approved by the voters, and bonds
 4 issued to comply with an order of a court of competent jurisdiction
 5 must not be issued by a city unless public notice of issuing the
 6 bonds is posted as set forth in the local government public notice
 7 act at least 45 days before issuing the bonds, within which period
 8 a petition may be filed with the legislative body signed by not
 9 less than 10% or 15,000 of the registered electors in the city,
 10 whichever is less, in which event the legislative body shall submit
 11 the question of issuing the bonds to the electors of the city at a
 12 regular or special election in the city. The bonds ~~shall~~**must** not
 13 be issued unless a majority vote of the electors voting on the
 14 issuance vote in favor of issuing the bonds. The notice of intent
 15 to issue bonds ~~shall~~**must** state the maximum amount of the bond
 16 issue, the purpose of the bond issuance, source of payment, right
 17 of referendum on the issuance of the bonds, and other information
 18 as the legislative body determines to be necessary to adequately
 19 inform the electors and all other interested persons of the nature
 20 of the issue and of their rights with respect to the issue.

21 (h) To repudiate a debt by a change in its charter or by
 22 consolidation with any other municipality.

23 (i) To submit a franchise to the electors at a special
 24 election, unless the expense of holding the election, as determined
 25 by the legislative body, is paid in advance to the city treasurer
 26 by the grantee in the franchise.

27 (2) Beginning on ~~the effective date of the amendatory act that~~
 28 ~~added this subsection,~~ **September 13, 2011**, a city shall not adopt a
 29 city charter or ordinance that includes any minimum staffing

1 requirement for city employees. ~~Except as otherwise provided in~~
 2 ~~this subsection, any~~ **Any** provision in a city charter or ordinance
 3 adopted on or after ~~the effective date of the amendatory act that~~
 4 ~~added this subsection~~ **September 13, 2011** that contains a minimum
 5 staffing requirement for city employees is void and unenforceable.

6 Sec. 5e. A municipal water or sewage system established by a
 7 city incorporated under this act ~~which~~ **that** serves more than 40% of
 8 the population of the state shall:

9 (a) Be audited annually by an independent auditor designated
 10 by the legislative auditor general. ~~No~~ **A** charter provision ~~shall~~
 11 **must not** require an annual local audit for the same period. The
 12 auditor ~~shall~~ **must** be paid by the system. The results of the annual
 13 audit ~~shall~~ **must** be made available to the public in compliance with
 14 ~~Act No. 442 of the Public Acts of 1976, being sections 15.231 to~~
 15 ~~15.246 of the Michigan Compiled Laws.~~ **the freedom of information**
 16 **act, 1976 PA 442, MCL 15.231 to 15.246.** The annual audit ~~shall~~ **must**
 17 be submitted to the governing body of each city, village, or
 18 township served by the system and to the legislature before
 19 December 1 of each year. Each city, village, or township served by
 20 the system ~~shall~~ **must** be audited annually by an independent
 21 auditor. The auditor ~~shall~~ **must** be paid by that city, village, or
 22 township served by the system. The results ~~shall~~ **must** be made
 23 available to the public.

24 (b) Hold at least 1 public hearing at least 120 days before a
 25 proposed rate increase is scheduled to take effect. Each hearing
 26 ~~shall~~ **must** be conducted in compliance with ~~Act No. 267 of the~~
 27 ~~Public Acts of 1976, being sections 15.261 to 15.275 of the~~
 28 ~~Michigan Compiled Laws.~~ **the open meetings act, 1976 PA 267, MCL**
 29 **15.261 to 15.275.** Notice of the time, date, and place of each

1 hearing ~~shall~~**must** be given in the manner required by ~~Act No. 267~~
2 ~~of the Public Acts of 1976, shall~~**the open meetings act, 1976 PA**
3 **267, MCL 15.261 to 15.275. Before January 1, 2022, notice of the**
4 **time, date, and place of each hearing must** be prominently printed
5 in a daily newspaper of general circulation within the area, and
6 ~~shall~~**must** be mailed to each city, village, or township served by
7 the system not less than 30 days before each hearing. **Beginning**
8 **January 1, 2022, public notice of the time, date, and place of each**
9 **hearing must be posted as set forth in the local government public**
10 **notice act, and notice of the time, date, and place of each hearing**
11 **must be mailed to each city, village, or township served by the**
12 **system not less than 30 days before each hearing.** A final vote by
13 the governing body of the city to implement a proposed rate
14 increase ~~shall~~**must** not be taken until the hearings provided for in
15 this subdivision are concluded and the results of those hearings
16 are considered by the city's governing body. This section ~~shall~~
17 **must** not be construed to impair the obligations of a contract. A
18 city shall not be required to hold a public hearing before the
19 establishment of a water or sewer rate ~~which~~**that** is necessary for
20 debt retirement under outstanding bond obligations.

21 Sec. 10. The county clerk shall, within 3 days after the
22 passage of the resolution provided for in section 8, ~~of this act,~~
23 transmit a certified copy of ~~said~~**the** petition and of ~~such~~**the**
24 resolution to the clerk of each city, village, or township in the
25 district to be affected by the proposed incorporation,
26 consolidation, or change. ~~, and it shall be~~**Before January 1, 2022,**
27 **it is** the duty of each of ~~said~~**the** city, village, and township
28 clerks to give notice of the date and purpose of the election
29 provided for by ~~said~~**the** resolution by publication in 1 or more

1 newspapers published within ~~said-the~~ district at least once in each
 2 week for 4 weeks ~~preceeding said-before the~~ election, and by posting
 3 a like notice in at least 10 public places in ~~said-the~~ district not
 4 less than 10 days ~~prior to such-before the~~ election. **Beginning**
 5 **January 1, 2022, not more than 4 weeks before the election, it is**
 6 **the duty of each of the city, village, and township clerks to post**
 7 **public notice of the date and purpose of the election provided for**
 8 **by the resolution as set forth in the local government public**
 9 **notice act.**

10 Sec. 15. (1) At an election on the question of the intent to
 11 incorporate a new city, or to make a consolidation permitted by
 12 this act, each elector residing within its proposed territorial
 13 limits ~~shall-be-is~~ entitled to vote for 9 electors, residing in the
 14 territory ~~which-that~~ it is proposed to incorporate or consolidate,
 15 as members of a charter commission, and the notices required by
 16 section 10 ~~shall-must~~ include notice of the election of those
 17 electors. The ballot ~~shall-must~~ be prepared by the clerk of the
 18 county in which the territory is located or if located in more than
 19 1 county, then by the clerk of the county in which the greater
 20 portion of the territory is located. The expense of the ballot
 21 preparation is to be borne by that county. If the proposed city is
 22 incorporated as provided in this act, the county ~~shall-must~~ be
 23 reimbursed by the city at the time the charter is filed. The county
 24 clerk shall prepare the ballot to be used at the election pursuant
 25 to the ~~general election laws of the state~~ **Michigan election law,**
 26 **1954 PA 116, MCL 168.1 to 168.992,** as follows:

27 "For city incorporation. Yes()

28 For city incorporation. No ()".

29 Or, if the proposition be to consolidate, the ballot shall be

1 as follows:

2 "For consolidating (naming entities) into 1 city. Yes()

3 For consolidating (naming entities) into 1 city. No ()".

4 (2) The county clerk shall also prepare a separate ballot and
 5 place on the ballot, without party designation, under the heading,
 6 candidates for members of the charter commission, the names of the
 7 electors having the qualifications required by this act for a
 8 member of the charter commission ~~who~~ file a petition signed by 20
 9 qualified electors residing in the territory proposed to be
 10 incorporated ~~asking~~ that their names be placed on the ballot. For
 11 a consolidation, the electors of each city, village, township, or
 12 part of a township, proposed to be consolidated shall vote for and
 13 elect the number of the 9 members of the charter commission as
 14 ~~shall be~~ **is** substantially in proportion to the number of registered
 15 electors of the city, village, township, or part of a township,
 16 according to the registration rolls of the last regular state,
 17 city, or village election held in the city, village, township, or
 18 part of a township, but the number to be elected in a city,
 19 village, or township ~~shall~~ **must** not be less than 1. The county
 20 board of commissioners or the secretary of state shall determine
 21 and prescribe the number of members of the charter commission to be
 22 elected from each city, village, township, or part of a township in
 23 the case of a consolidation, pursuant to this subsection. The
 24 position of the names of the candidates upon the ballots ~~shall~~ **must**
 25 be interchanged as provided in the ~~general primary election law of~~
 26 ~~this state. Michigan election law, 1954 PA 116, MCL 168.1 to~~
 27 **168.992.** The ballot ~~shall~~ **must** also bear instructions directing
 28 that not more than 9 candidates ~~shall~~ **must** be voted for or, if the
 29 proposition is to consolidate, the ballot for members of the

1 charter commission in each city, village, township, or part of a
 2 township, proposed to be consolidated ~~shall~~**must** bear instructions
 3 directing that not more than the number of candidates determined by
 4 the county board of commissioners or the secretary of state to be
 5 elected in the city, village, township, or part of a township ~~shall~~
 6 **must** be voted for. On the vote being canvassed on the question of
 7 the intent to incorporate or consolidate, if the result is
 8 determined to be in favor of the intent to incorporate or
 9 consolidate, the board of canvassers shall canvass the votes cast
 10 for members of the commission ~~and~~ and certify the election of the 9
 11 persons receiving the highest number of votes cast. The elected
 12 members of the commission shall take the constitutional oath of
 13 office ~~and~~ and may fill vacancies in their membership. Five members
 14 ~~shall~~ constitute a quorum.

15 (3) The charter commission shall convene within 10 days after
 16 election and frame a charter for the proposed city within 90 days
 17 after the meeting. The business ~~which~~**that** the charter commission
 18 may perform ~~shall~~**must** be conducted at a public meeting of the
 19 commission held in compliance with ~~Act No. 267 of the Public Acts~~
 20 ~~of 1976.~~**the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.**
 21 Notice of the time, place, and date of the meeting ~~shall~~**must** be
 22 given in the manner required by ~~Act No. 267 of the Public Acts of~~
 23 ~~1976.~~**the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.** The
 24 charter commission shall choose its own officers, determine the
 25 rules of its proceedings, and keep a journal. A roll call of its
 26 members on a question ~~shall~~**must** be entered on the journal at the
 27 request of any member. The commission shall provide the manner of
 28 nominating the candidates for the first elective officers provided
 29 in the proposed charter. The commission shall fix the date of the

1 first city election, and do and provide other things necessary for
 2 making the nominations and holding the election. The election may
 3 be held at a special election or on the same date as a general
 4 election. ~~The~~ **Before January 1, 2022, the** commission shall publish
 5 the proposed charter in 1 or more newspapers published in the
 6 proposed city, at least once, not less than 2 weeks and not more
 7 than 4 weeks ~~preceding~~ **before** the election, together with a notice
 8 of the election. ~~, and that on the date fixed for the election the~~
 9 ~~question of adopting the proposed charter will be voted on, and~~
 10 ~~that the elective officers provided for in the charter will be~~
 11 ~~elected on the same date.~~ **Before January 1, 2022, notice** of
 12 the election ~~shall~~ **must** also be posted in at least 10 public places
 13 within the proposed city not less than 10 days before the election.
 14 **Beginning January 1, 2022, not less than 2 weeks and not more than**
 15 **4 weeks before the election, public notice of the proposed charter,**
 16 **together with a notice of the election, must be posted by the**
 17 **commission as set forth in the local government public notice act.**
 18 The commission shall provide for 1 or more polling places for the
 19 election, ~~and~~ **shall** give similar notice of their location as is
 20 given of the election, and shall appoint the inspectors of the
 21 election. **On the date fixed for the election, the question of**
 22 **adopting the proposed charter will be voted on and the elective**
 23 **officers provided for in the charter will be elected on the same**
 24 **date.** The results of the election ~~shall~~ **must** be canvassed by the
 25 county board of canvassers.

26 Enacting section 1. This amendatory act does not take effect
 27 unless Senate Bill No. ____ or House Bill No. 6440 (request no.
 28 02449'19) of the 100th Legislature is enacted into law.