



TO: Christopher Taylor, Mayor
City Councilmembers
CC: Howard Lazarus, City Administrator
FROM: John Fournier, Assistant City Administrator
RE: Quarterly Legislative Update
DATE: October 15, 2019

This memo provides an update on legislative and policy activity in Lansing that is relevant to the City of Ann Arbor. With the new legislature and a new governor in our capital, new opportunities and risks abound for local government.

With the adoption of a state budget, legislative initiatives are beginning to move forward again. However, the prospect of a supplemental budget still looms large over Lansing. We are monitoring several bills at the moment, and some are beginning to see movement in committee. Many of them are still waiting for their turn to advance, however.

Legislative Update

The following issues are already receiving attention in Lansing and will likely persist during this legislative session.

Residential solar

HB 4069 and 4465 passed the Michigan House on June 20th of this year and have been assigned to the Finance Committee in the Senate. They are scheduled to be heard in committee on Wednesday the 16th and it is anticipated that they will eventually pass out of committee sometime thereafter. The bills continue to have strong bi-partisan support, including support from the City of Ann Arbor who testified on behalf of these bills when they were heard in the House last spring.

Vegetation pre-emption

There has been no movement on any kind of vegetation pre-emption legislation in this quarter.

Dark stores

There are four bills that have been introduced this session regarding so-called "dark stores," including HB 4025, HB 4047, SB 26 and SB 27. This legislation would ban the practice of assessing empty big-box retail stores at reduced values simply because they are vacant. Many large retailers strategically appeal their assessment over and over again to argue for lower assessed values, which allows them to speculate on the property. This legislation has been assigned to the Committee on Local Government and Municipal Finance in the House, but has not yet been scheduled for a hearing.



Exempting telecom equipment from PPT

Personal property is the personal, or tangible, assets of a business and is taxed at the local level. Two bills, SB 163 and HB 4268, propose to exempt telecom companies from paying the personal property tax on their telecom equipment. The bills have not moved out of committee yet, however we are monitoring them and intend to oppose the legislation.

Short-term rental zoning pre-emption

HB 4046 was recently introduced in the legislature. This bill would pre-empt municipalities from prohibiting short-term rentals through the zoning code and the Council Policy Agenda document provides clear direction to oppose any legislation that represents a pre-emption of municipal authority. Therefore, we will oppose this legislation and monitor any progress it may make. This bill is delayed while negotiations are underway behind the scenes in Lansing, however there has been no news on this legislation and it is still sitting in committee without a hearing scheduled. We will continue to monitor and communicate Ann Arbor's opposition if it progresses.

Sanctuary cities penalties

Legislation has been re-introduced (HB 4083) that would provide penalties against elected or appointed officials who approve or implement so-called "Sanctuary cities" policies. Those penalties include fines ranging between \$2,500 and \$7,500. Last year Mayor Taylor testified in front of the legislature against this bill, and ultimately it was not adopted. However, it has been reintroduced and has gained some support. The Michigan Municipal League was able to have a hearing on this legislation cancelled in mid-March and the hearing has not been rescheduled at this point. This legislation will move forward shortly, however.

This bill passed the Military, Veterans, and Homeland Security committee and was assigned to the Committee on Ways and Means on April 9, 2019. This essentially means that it is awaiting a floor vote in the House. We will continue to monitor and report to the Council on any progress.

Local Plastic Bag Bans

HB 4500 was recently introduced and referred to the Committee on Local Government. This bill would repeal the ban on local plastic bag bans (indeed, it is a ban on bans of local plastic bag bans) that was passed during the lame duck session in 2016 in response to a plastic bag ban that was adopted by Washtenaw County. The bill has bipartisan support, so we will monitor and intervene in support of the bill if we feel it would be valuable to its passage.

Increased Fines for Speeding in School Zones

HB 4933 was recently introduced by Representative Warren. This bill would increase fines and points for speeding in a school zone, and is specifically endorsed in the Council's legislative policy



agenda document. We have been working to secure a Republican sponsor for the bill in the Senate and in coordination with Representative Warren. We will keep the Council posted as this legislation progresses. At this point it does not have a committee hearing scheduled, though it has been referred to the Committee on Transportation.

Greater Power to Set Speed Limits

HB 4733 was introduced and referred to the Committee on Transportation. This bill would give municipalities greater flexibility to set speed limits on local roads in their jurisdiction. The bill has bi-partisan support, and is endorsed by both MDOT and the State Police. It has yet to receive a hearing date in the committee, but we are optimistic about its chances for passage.

Statewide Crosswalk Law

HB 4738 is legislation introduced by Representative Peterson at the behest of Councilmember Griswold. The city recently sent a letter to Representative Peterson and Ann Arbor legislative delegation confirming the city's support for a statewide crosswalk law. The bill has been assigned to the Committee on Transportation and has yet to be scheduled for a hearing.

Community Solar

Recently, a bipartisan coalition of state representatives introduced HB 4995, which authorizes community solar in the state of Michigan, requires utilities to distribute the solar power, and allows the public services commission to reevaluate the Voluntary Green Purchasing programs that utilities provide under state law. The initial excitement over this bill has quelled somewhat on the revelation that the chairman of the House Energy Committee does not like the bills and may not allow them to receive a hearing. We are continuing to work on this issue and to hopefully get a hearing schedule.

Concealed weapons and Right to Carry

A series of bills were introduced by Representative Michele Hoytenga and a battery of other GOP representatives in this session that would allow for the expansion of concealed carry laws and other related provisions. These bills were discussed at a previous Policy Agenda meeting and the committee asked that we keep track of them. HBs 4020 – 4022 and HBs 4026 – 4029 have all been assigned to the Judiciary Committee and have not been assigned a hearing date. We will continue to monitor these bills and will oppose them if they begin to move.

Budget Update

Shortly before the end of the fiscal year on September 30, the legislature sent a complete budget to the Governor's desk for signature. The budget was not negotiated with the Governor, but represents the work product of the Republican leadership in the Senate and House exclusively, and as such it did not include the Governor's request for substantial additional funds for roads. The Governor used her line item veto to remove nearly \$1 billion in budgeted items. The cuts held



municipalities largely harmless, though rural counties did see a slash in important state grants. The Governor vetoed approximately \$375 million in funding for specific road projects (what she called “pork projects”), but none of these projects impacted Ann Arbor.

At this point there has been some discussion of the Governor and the Republican leadership negotiating a supplemental budget to restore some of these funding cuts, but opinions in Lansing are mixed on whether a negotiation such as this would be fruitful. The two sides are meeting with no indication on whether a budget package will be forthcoming.