

Michigan Association of Mayors
2023 Summer Workshop

CONNECTING WITH COMMUNITY

August 9-11, 2023

Northville Community Center, Northville, MI

Legislative Update



MICHIGAN
ASSOCIATION
OF MAYORS





Legislative Update

- State Budget Highlights
- Revenue Sharing
- Progress on Legislative Priorities
- Coalition Efforts
- What's Next

State Budget Highlights

Largest Budget in Michigan's History

- \$82 Billion in on-going and one-time state and federal resources

Enhancement Grants

- Roughly \$2 Billion in one-time money
 - Infrastructure, Economic and Community Development, Public Safety, Workforce Development, Healthcare

Future Budgets

- One-time funding will dry up



State Budget Highlights

Transportation Funding

- \$80 million for local bridge bundling program.
- \$60 million for local bus operations:
 - \$15 million increase in on-going
 - \$45 million in one-time funding
- \$50 million for transit capital needs
- \$20 million for bus rapid transit and high-speed rail
- \$3.5 million for shared streets and spaces to help cities and transit agencies create options for pedestrians and bicyclists



State Budget Highlights

Energy and Environment Funding

- \$30 million for renewable ready communities to help local governments install renewable energy at scale
- \$21.3 million for electric vehicles and renewable energy charging infrastructure
- \$20 million to enhance air quality and remediate contaminated sites
- \$25 million for home repairs and upgrades that enable clean energy



State Budget Highlights

Economic Development

- \$350 million for the Make it in Michigan Competitiveness Fund to win federal resources from the Bipartisan Infrastructure Law, the CHIPS and Sciences Act, and the Inflation Reduction Act
- \$1.5 billion (4th highest in the nation) through the Broadband Equity, Access, and Deployment (BEAD) Program
- \$2 million fund the Growing Michigan Together Council
- \$50 million for the Housing and Community Development Fund
- \$50 million for Revitalization and Placemaking Grants

Revenue Sharing

Constitutional Revenue Sharing

- \$62 Million in Additional Funding

Statutory Revenue Sharing

- 7% Increase for Cities, Villages, and Townships (\$19.6M)
 - 5% Ongoing (\$14M)
 - 1% tied to certifying all ARP funds have been obligated, expended or declined by 12/31/2023
 - Certification due to Treasury by March 30, 2024
 - Certification form coming soon
 - 2% One-Time for Public Safety Initiatives (\$5.6M)
 - Recruitment or retention efforts, training programs; new equipment purchases, equipment replacements capital improvement to public safety buildings or structures

Legislative Priorities

Top Priorities

1. Revenue Sharing Trust Fund
 - 6 Bills Introduced
 - HB 4274 and HB 4275
2. Headlee/Proposal A Reform
3. Investment of ARP Resources

Legislative Priorities

Areas of Focus

1. Protecting Community Specific Solutions and Resources
2. Modernizing Local Governance and Structure
3. Invest in Human Capital and Physical Infrastructure Built for the Future
4. Generating Robust Housing and Economic Development Opportunities



Protecting Community Specific Solutions and Resources

- Short Term Rentals
- Aggregate Mining (HB 4526-4528)
- Personal Property Tax (SB 331, HB 4553/4554)
- Disabled Veteran Property Tax Exemption* (SB 95/96)
- Dark Stores*



Modernizing Local Governance and Structure

- Open Meetings Act
- Freedom of Information Act
- Public Notices (HB 4428)



Invest in Human Capital and Physical Infrastructure Built for the Future

- Stormwater Utilities
- Statewide Water Assistance Program
- Local Road Funding and Impact of EVs
- Investments in Municipal Workforce and Training



Generating Robust Housing and Economic Development Opportunities

- Housing TIF (SB 129)
- Housing Ready Communities
- Employer Housing Tax Credit
- Housing and Community Development Fund
- Placemaking and Revitalization Grants

Other Legislative Issues

1. Solar Payment In Lieu of Taxes (Public Act 108/109 of 2023)
2. Solar Siting
3. Labor Issues
 - Prevailing Wage
 - Collective Bargaining (HB 4354)
 - Minimum Staffing Requirements (HB 4688)
4. Speed Limits (HB 4012)
5. Proposal 2 Implementation (Bill package signed by Governor on 7/19/23)

Utilizing Coalitions

Municipal Caucus

- Includes 35 former city and village elected officials and leaders
- Focused on 4 key legislative priorities

Coalition for a Strong and Prosperous Michigan

- Started in 2021
- Revised priorities to begin 2023
- Narrowing our focus post budget

Housing Michigan Coalition

What's Next?

Shift in focus to policy

- Energy and environmental issues to get more attention
- Strategies to improve Michigan's competitiveness and grow population
- Continued focus on labor issues
- ?????

Questions?