

Michigan Government 101

Prepared for the Libertarian Party of Michigan Summit
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Definitions

Government (merriam-webster.com)

Origin



- 1 : **the act or process** of [governing](#); specifically : authoritative direction or control
 - 2 obsolete : moral conduct or behavior : [discretion](#)
- 3 a : **the office, authority, or function** of [governing](#)
- 4 : **the continuous exercise of authority** over and the performance of functions for a political unit : [rule](#)
- 5 a : **the organization, machinery, or agency** through which a political unit exercises authority and performs functions and which is usually classified according to the distribution of power within it
 - She works for the federal government.b : the complex of political institutions, laws, and customs through which the function of governing is carried out
- 6 : **the body of persons** that constitutes the governing authority of a political unit or organization: such as
 - a : the officials comprising the governing body of a political unit and constituting the organization as an active agency
 - The government was slow to react to the crisis.
 - b capitalized : the executive branch of the U.S. federal government
 - c capitalized : a small group of persons holding simultaneously the principal political executive offices of a nation or other political unit and being responsible for the direction and supervision of public affairs:
 - (1) : such a group in a parliamentary system constituted by the cabinet or by the ministry
 - (2) : [administration](#) 4b
- 7 : [political science](#)
 - 1 studied economics and government

In other words, Government is the act or process carried out by offices or authorities of people who continually exercise their functions and powers through official agencies.

Legislative Definitions



Bicameral - having two branches or chambers.

Unicameral – single body (only 1 state)

Session – one year of legislative meetings

Politics – NOT government, but attempts to gain control of it

Caucus: **Noun**: 1. a meeting at which local members of a political party register their preference among candidates running for office or select delegates to attend a convention. 2. a conference of members of a legislative body who belong to a particular party or faction.

Verb: hold or form a legislative caucus.



A Caucus caucusing.

Michigan's unique style of Government

Michigan's system of local government is sometimes described as “confusing,” “overlapping,” and “redundant,” <https://www.michigantownships.org/mitownships.asp>

Michigan has:

- 83 counties
- 1,240 townships
- 276 cities
- 257 villages

A total of 1,856 administrative entities (13th most in US)

Additionally, there are 553 school districts, 57 intermediate school districts, 14 planning & development regions, and over 300 special districts and authorities.¹

https://en.wikipedia.org/wiki/Administrative_divisions_of_Michigan

Michigan is a mix of Home Rule and Dillon's Rule



Home Rule (8 -12 states, including Michigan): the government of a colony, dependent country, or region by its own citizens. The [Cooley Doctrine](#), or the doctrine of [home rule](#), expressed the theory of **an inherent right to local self-determination**. In a concurring opinion, [Michigan Supreme Court Judge Thomas M. Cooley](#) in 1871 stated, "local government is a matter of absolute right; and the state cannot take it away".

https://en.wikipedia.org/wiki/Home_rule_in_the_United_States

Dillon's Rule (40 states): "The theory of **state preeminence over local governments** was expressed as Dillon's Rule in an 1868 case: "Municipal corporations owe their origin to, and derive their powers and rights wholly from, the legislature. It breathes into them the breath of life, without which they cannot exist. As it creates, so may it destroy. If it may destroy, it may abridge and control". **Municipalities are "mere tenants at will of their respective state legislatures"** which could be "eliminated by the legislature with a stroke of the pen". **John Forrest Dillon** (December 25, 1831 – May 6, 1914) was an American jurist who served on federal and Iowa state courts. His treatise on *Municipal Corporations* (1872) is one of the earliest systematic studies of the subject.

https://en.wikipedia.org/wiki/John_Forrest_Dillon

Each state defines what powers it will grant to local governments. Within the local sphere, there are four categories in which the state allows discretionary authority:

- **Structural** – power to choose the form of government, charter & enact revisions
- **Functional** – power to exercise local self government in a broad or limited manner
- **Fiscal** – authority to determine revenue sources, set tax rates, borrow funds and other related financial activities
- **Personnel** – authority to set employment rules, wage rates, employment conditions and collective bargaining.

Federal courts often favor states over municipalities citing Dillon's Rule.

Counties – 83, three types: general law, optional unified and charter,^[2] and six forms: county board of commissioners, county administrator, county controller, county manager, and county executive.^[3] The *type* of government dictates the *form* of government. 79 of the state's 83 counties are governed under the general law form.

Cities - 3 forms of government, 2 types: Cities may choose between a [mayor-council](#) form of government, a [city commission](#) form of government, or a [council-manager](#) form of government depending upon their type – Home Rule or Fourth Class. [Home rule](#) cities are the most numerous in Michigan. Only a handful of Fourth Class cities remain. Cities and villages have home rule powers to undertake any activity that is not prohibited by law. All cities incorporated by act of the state legislature before the enactment of the Fourth Class City Act of 1895 became "special charter cities" upon its enactment. Only one left since 1895: Mackinac Island.

c.1968, "Home rule charter adoption appears most widespread in the following states: Michigan, 211 cities and 51 villages; Texas, 175 cities; Ohio, 122 cities; Minnesota, 92 cities; California, 71 cities; Connecticut, 52 cities; Oklahoma, approximately 50 cities; and Colorado, 24 cities. Although exact information is unavailable, during the past thirty years, one hundred Oregon cities have adopted new or revised charters, making Oregon one of the leading home rule states".

<http://scholarship.law.wm.edu/cgi/viewcontent.cgi?article=2835&context=wmlr>

Villages – 1 form of government, 2 types: General and Home Rule

All villages are required to have a [weak mayor-council](#) form of government, with an elected village president, who is a member of the village council and its presiding officer, a village council composed of elected trustees, a clerk, and a treasurer.

Besides Cities, Villages are the second kind of incorporated place in Michigan, but differ in that villages are not completely administratively autonomous of the township(s) in which they are located, reducing their [home rule](#) powers. Because of this, statistically, their population is also included in the population of the township in which they reside. Village governments are required to share some of the responsibilities and duties to their residents with the township.^[6]

As of January 2011, of the 256 villages in Michigan, 46 are designated home rule villages, and 210 designated as general law villages. Not to be confused with unincorporated villages – sometimes just a zip code, school district and/or map name (i.e. Bath, Haslett).

Townships - Chartered or not

Township government is used in **Indiana, Kansas, Michigan, Missouri, Minnesota, New Jersey, North Dakota, Ohio, Pennsylvania, South Dakota** and **Wisconsin** (in Wisconsin known as towns). The form is used in parts of **Illinois** and also in **Nebraska**, where they are sometimes referred to as precincts.

Michigan is the only state with “Charter Townships”. All townships are general law townships unless they have incorporated as a charter township.

Charter township status is a special township classification created by the Michigan Legislature in 1947 to provide additional powers and streamlined administration for governing a growing community. A primary motivation for townships to adopt the charter form is to provide greater protection against annexation by a city. As of 2011, 138 Michigan townships were charter townships (out of 1,240).

A charter township may establish a variety of municipal services, such as a police force, fire department, assessors and also acquire property. It may also borrow money and issue bonds, with the approval of a majority of township voting in an election. Similarly, a charter township cannot levy taxes without the approval of a majority of the township population voting in an election. This is one significant difference from home-rule municipalities, in which the municipal authority can levy taxes without specific approval from voters.

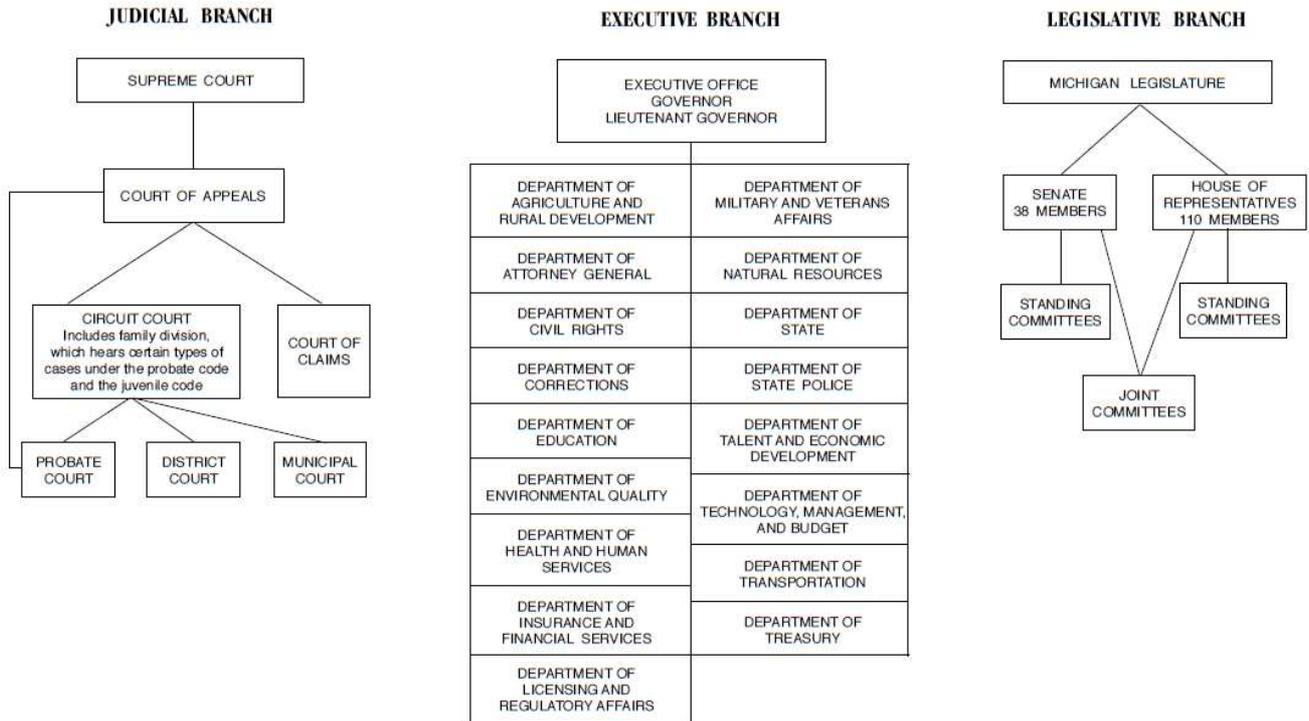
While township government predates Michigan statehood, township government form and functions have evolved to meet ever-evolving state needs. The U.S. Bureau of the Census offers this succinct definition of Michigan townships:

There are 1,102 general law townships and 138 charter townships which are all actively functioning governmental units. Townships are the original units of government formed in the state. Typically, townships are 36 square miles in size. Each is governed by a board of trustees consisting of the township supervisor, township clerk, township treasurer, and 2 or 4 elected trustees. The entire state is covered by township governments except for areas within cities.

Nonetheless, Michigan townships, as well as all but three counties, are called “statutory” governmental entities because the Michigan Constitution charges the Michigan Legislature to decide what powers and duties these entities may, or shall provide, as expressly stated or fairly implied in statute. Cities and villages have home rule powers to undertake any activity that is not prohibited by law. It is this choice between a form of government that is, by law, limited in what it can do, versus a form of government that is expansive in nature, that poses the prime policy choice a community must make in deciding if it wants to be governed as a township or as a city.

State Government

THE THREE BRANCHES OF MICHIGAN STATE GOVERNMENT



Basic operations covered in Citizen's Guide:

http://www.legislature.mi.gov/Publications/CitGuide-2018_WEB.pdf

HOW A BILL BECOMES A LAW - Citizens Guide, pg 60,61

1. A bill is introduced in either the Senate or the House. Sometimes identical bills are introduced simultaneously. The bill receives a **FIRST READING in the House and a FIRST AND SECOND READING in the Senate (at which time the title is read)**. Then either the Majority Leader of the Senate or the Speaker of the House refers the bill to an appropriate standing committee (Education, Commerce, Health Policy, etc.). **If the bill is a budget bill or has fiscal implications, it will be referred directly to the Appropriations Committee** or to an appropriate standing committee and then to the Appropriations Committee.

2. In committee, the bill is discussed and debated. Public hearings may be held. Not every bill in the committee will be considered. The committee may take several different actions:

- Report the bill with favorable recommendation.
- Add amendments and report with favorable recommendation.
- Report the bill and recommend a substitute be adopted.
- Report the bill with adverse recommendation.
- Report the bill without recommendation.
- Report the bill with amendments but without recommendation.
- Report the bill with and recommend referral to another committee.
- Take no action on the bill.
- Refuse to report the bill out of committee.

3. If a bill is reported out favorably or a substitute is offered, the bill is returned to the Senate or House **where it receives a GENERAL ORDERS status in the Senate and a SECOND READING status in the House**. The Senate resolves itself into the Committee of the Whole and the House assumes the order of SECOND READING. At this time, committee recommendations are considered and amendments may be offered and adopted. The bill then advances to THIRD READING.

4. Upon THIRD READING in the Senate, an entire bill is read unless unanimous consent is given to consider the bill read. In the House, the bill is read in its entirety on THIRD READING unless four-fifths of the members consent to consider the bill read. At THIRD READING **the bill is again subject to debate and amendment**. At the conclusion of THIRD READING, the bill is **either passed or defeated** by a roll call vote of the majority of members elected and serving **OR** one of the following options may be used to delay final action:

- Refer bill back to committee for further consideration.
- Postpone bill indefinitely.
- Make the bill a special order of business on THIRD READING for a specific date, or
- Table the bill.

Following either passage or defeat of a bill, a legislator may move to have the bill reconsidered. In the Senate, the motion must be made within the next two session days; in the House, within the next succeeding day.

5. If the bill passes, it goes to the other house where the same procedure is followed. **If the bill is passed in the same form by both houses, it is ordered “enrolled”** in the house in which it originated. It **then goes to the Governor** for his or her signature.

6. If the bill is passed in a different form by the second house, the bill is returned to its house of origin. If this house accepts the changes, the bill is enrolled and sent to the Governor. If the changes are rejected, the bill is sent to a conference committee which tries to resolve differences. If the first conference report is rejected, a second conference committee may be appointed.

7. The Governor has 14 days after receiving a bill to consider it.

He or she may:

- Sign the bill. The bill becomes law either 90 days after the legislature adjourns sine die (at the end of the year) or at a later date specified in the bill. If the bill has been given immediate effect by a 2/3 vote of the members elected and serving, it becomes law upon the Governor's signature.

- Veto the bill (which would then require a 2/3 vote to override).

- Neither sign nor veto, in which case the bill becomes law 14 days after reaching the Governor's desk unless the legislature adjourns sine die (end of year) within 14 days. In that case, it does not become law.

8. If the Governor vetoes a bill while the legislature is in session or recess, one of the following actions may occur:

- Legislature may override the veto by 2/3 vote of members elected & serving in both houses.
- Bill may not receive the necessary 2/3 vote and the attempt to override the veto will fail.
- Bill may be tabled pending an attempt to override veto.
- Bill may be re-referred to a committee.

Important: #1: If it is a budget bill or has fiscal implications, it will be referred directly to the Appropriations Committee.

There are 16 SUB-Appropriation committees in the House and 16 corresponding in the Senate. This is where the rubber hits the road, where taxpayer money is spent, subject to: **the budget**

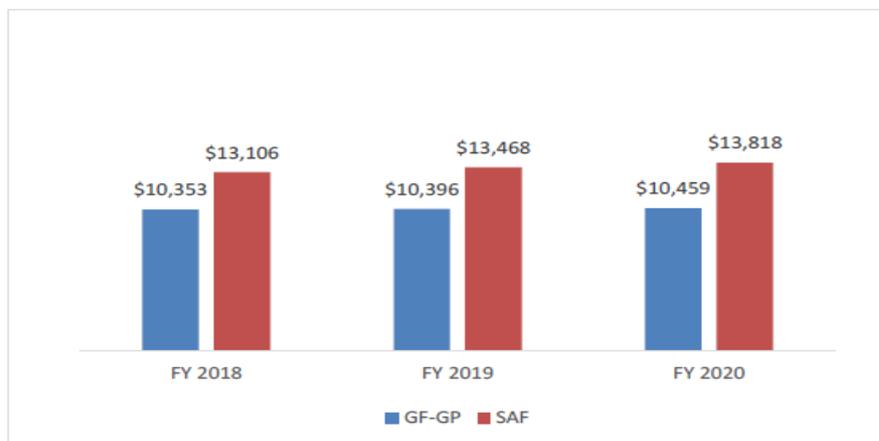
[http://www.legislature.mi.gov/\(S\(4zk3rn3lu2y115ybfr30tc2b\)\)/mileg.aspx?page=listserverSignup](http://www.legislature.mi.gov/(S(4zk3rn3lu2y115ybfr30tc2b))/mileg.aspx?page=listserverSignup)

Follow the Money – \$20+ billion per year in Michigan! **CAFR**

http://www.michigan.gov/documents/treasury/FY_2017_Comprehensive_Annual_Financial_Report_612301_7.pdf

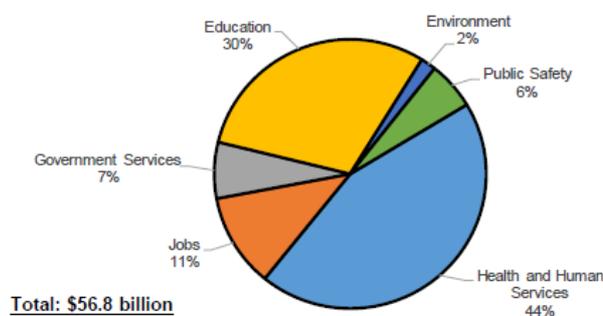
The Michigan Department of Treasury is responsible for collecting, disbursing, and investing all state monies. The Department advises the Governor on all tax and revenue policy, **collects and administers over \$20 billion a year in state taxes**, and safeguards the credit of the state. The Department is also responsible for the fiscal health of Michigan’s local governments and schools. In addition, the Treasurer invests over \$65 billion of the State and school employees retirement funds.

**Administration GF-GP and School Aid Fund
Revenue Estimates
(millions of dollars)**



A Full Look at the 2019 Budget

The recommendation for the 2019 budget, including all state and federal revenue, stands at \$56.8 billion. This represents a 0.6 percent increase in the total budget, and a 0.1 percent increase in the General Fund, well shy of the estimated inflation rate of 1.9 percent. Education combined with health and human services account for nearly 75 percent of the total budget.



Total federal spending by state, fed. Fisc. 2013 (in millions)

State	Retirement benefits	Nonretirement benefits	Grants	Contracts	Salaries and wages	Total
Michigan	\$37,086	\$31,458	\$16,488	\$4,810	\$4,173	\$94,014

Per capita federal spending, by state, fed. fisc. 2013

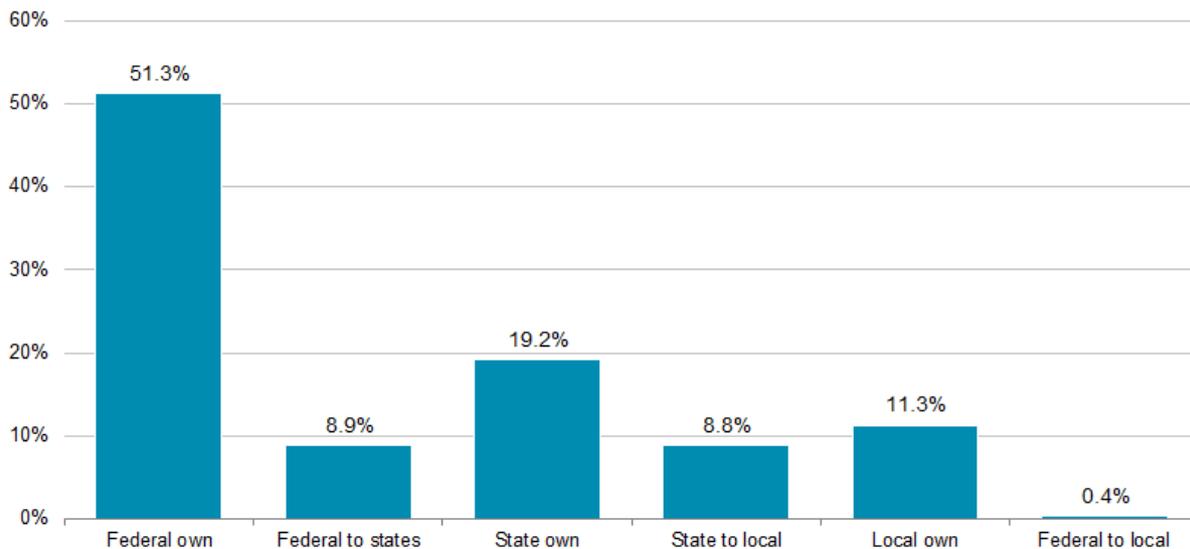
State	Retirement benefits	Nonretirement benefits	Grants	Contracts	Salaries and wages	Total
Michigan	\$3,748	\$3,179	\$1,666	\$486	\$422	\$9,501

FIGURE 1

Federal, State, and Local Government Receipts and Transfers 2015

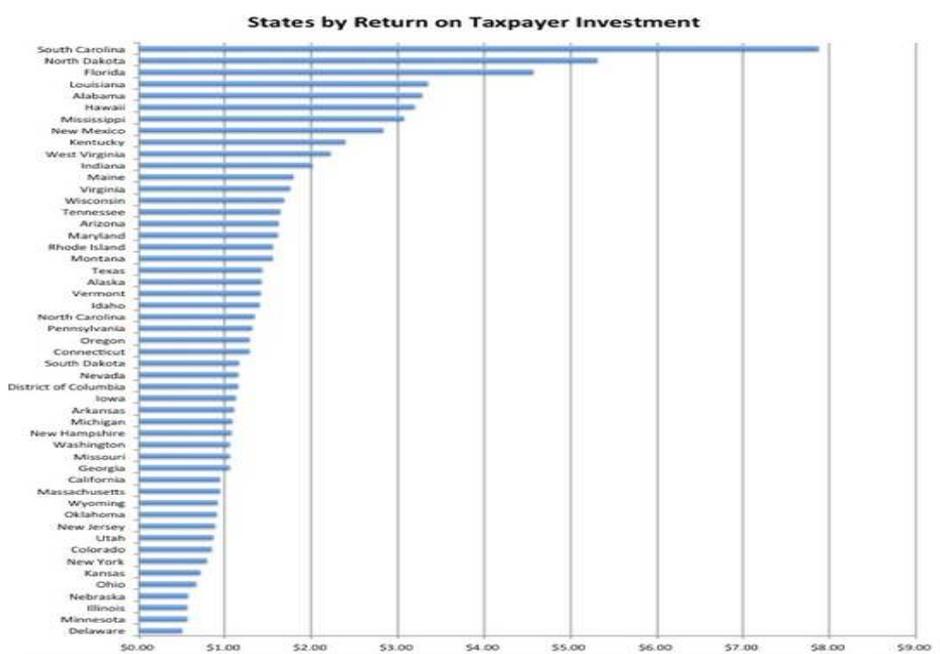


Share of total receipts and transfers



The federal government collected about \$3.4 trillion in 2015. It transferred about \$508 billion to states and \$23 billion to local governments, leaving it with roughly \$2.9 trillion. States collected about \$1.6 trillion that same year.

<http://www.taxpolicycenter.org/briefing-book/what-breakdown-tax-revenues-among-federal-state-and-local-governments>



<https://www.theatlantic.com/business/archive/2014/05/which-states-are-givers-and-which-are-takers/361668/>

This overview should get you started on understanding the complex, confusing and consternating bureaucracy of Michigan's government!

Useful Links:

Michigan Legislature

[http://www.legislature.mi.gov/\(S\(mybkipz0wk5occ2so3qjooc0\)\)/mileg.aspx?page=home](http://www.legislature.mi.gov/(S(mybkipz0wk5occ2so3qjooc0))/mileg.aspx?page=home)

Michigan Municipal League

<http://www.mml.org/home.html>

Michigan Township Association

<https://www.michigantownships.org/>

Michigan Downtown Association

<https://michigandowntowns.com/>

Michigan state web portal (shortcut: mi.gov)

<http://www.michigan.gov/>

MML report on Organization of Michigan Cities and Villages

https://www.mml.org/pdf/charter_revision/village7.pdf