

2026 OPERATIONAL INITIATIVES



SEA 1 RESPONSE

Technical Review Recommendations

BACKGROUND: Following the passage of SEA 1 in the 2025 legislative session, Aim convened a group of municipal officials, corporate partners, and subject matter experts to review SEA 1 throughout the interim to examine implementation issues and policy concerns in the legislation. The main area of focus was examining the Local Income Tax (LIT) system and creating a list of technical improvements prior to becoming completely effective in 2028. Additionally, the working group assessed the property tax changes and produced several solution-oriented proposals.

AIM INITIATIVE: Resulting from the months-long committee review process, Aim is recommending many changes to the provisions in SEA 1, including a significant number of ideas for improving the new LIT system established during the 2025 legislative session. The final report includes a significant amount of recommendations for improving SEA 1 and the new LIT system. The recommendations will be a top priority for Aim in the 2026 legislative session.

Municipal Government Modernization and Innovation

BACKGROUND: The passage of SEA 1 sparked conversations in the legislature urging the reform and modernization of local governments for maximum efficiency and cost effectiveness. As a result, Aim convened a committee of municipal officials to take part in a proactive role in these conversations and offer legislative recommendations on improving municipal government efficiency and consolidation of service delivery among various types of local governments.

AIM INITIATIVE: Resulting from the month's-long committee review process, Aim is recommending actions ranging from township consolidation and reform to the structure of local fees and financial management. The recommendations will be a top priority for Aim in the 2026 legislative session.

FOOD TRUCKS

BACKGROUND: Last year, HEA 1577 consolidated health and safety licensing for food trucks to the State Department of Health and created a single, statewide license for food trucks. Some language in the bill inadvertently calls into question municipal authority to regulate siting, density, and business regulation of food trucks.

AIM INITIATIVE: Clarify the language in HEA 1577 to resolve the confusion and specify the new requirements on licenses only apply to health department licenses and not other local licenses required by municipalities.

UTV/ATVS

BACKGROUND: Current law contains apparent conflicts between the DNR code and municipal codes on the authority to regulate UTVs and ATVs.

AIM INITIATIVE: Clarify the conflicts in code to protect municipal authority to regulate UTV and ATV use on municipal roads and streets.

PUBLIC NOTICES

BACKGROUND: Under current law, cities must publish newspaper notices in two newspapers with circulation of at least 200. This can be expensive for local units and papers cannot always deliver notices in a timely manner that can be easily accessed by constituents.

AIM INITIATIVE: Continue to modernize public notice requirements by allowing more options for publishing notices electronically.

ZONING RECODIFICATION

BACKGROUND: The current statute on zoning is often cumbersome to use and difficult for attorneys to understand. Rep. Zimmerman has expressed interest in recodifying the zoning statute to make it more user-friendly.

AIM INITIATIVE: Ensure that if zoning recodification occurs, current municipal authority is protected and the recodification proves to be a benefit to Aim members.