

**SUBSTITUTE FOR
HOUSE BILL NO. 5908**

A bill to amend 2014 PA 86, entitled
"Local community stabilization authority act,"
by amending sections 5 and 17 (MCL 123.1345 and 123.1357), section
5 as amended by 2015 PA 122 and section 17 as amended by 2017 PA
102.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. As used in this act:

2 (a) "Acquisition cost" means that term as defined in section 3
3 of the state essential services assessment act, 2014 PA 92, MCL
4 211.1053, multiplied by the following percentages:

5 (i) For eligible personal property reported to the department
6 and described in section 5(2)(a) of the state essential services
7 assessment act, 2014 PA 92, MCL 211.1055, 100%.

1 (ii) For eligible personal property reported to the department
2 and described in section 5(2)(b) of the state essential services
3 assessment act, 2014 PA 92, MCL 211.1055, 52.1%.

4 (iii) For eligible personal property reported to the
5 department and described in section 5(2)(c) of the state essential
6 services assessment act, 2014 PA 92, MCL 211.1055, 37.5%.

7 (b) "Ambulance services" means patient transport services,
8 nontransport prehospital life support services, and advanced life
9 support, paramedic, and medical first-responder services.

10 (c) "Authority" means the local community stabilization
11 authority, a metropolitan authority established under section 7.

12 (d) "Captured value" means 1 or more of the following:

13 (i) For a tax increment finance authority under the brownfield
14 redevelopment financing act, 1996 PA 381, MCL 125.2651 to ~~125.2672,~~
15 **125.2670**, captured taxable value as determined in sections 2 and 7
16 of the brownfield redevelopment financing act, 1996 PA 381, MCL
17 125.2652 and 125.2657.

18 (ii) For a tax increment finance authority under 1975 PA 197,
19 MCL 125.1651 to 125.1681, captured assessed value as defined in
20 section 1 of 1975 PA 197, MCL 125.1651.

21 (iii) For a tax increment finance authority under the tax
22 increment finance authority act, 1980 PA 450, MCL 125.1801 to
23 125.1830, captured assessed value as defined in section 1 of the
24 tax increment finance authority act, 1980 PA 450, MCL 125.1801.

25 (iv) For a tax increment finance authority under the local
26 development financing act, 1986 PA 281, MCL 125.2151 to 125.2174,
27 captured assessed value as defined in section 2 of the local

1 development financing act, 1986 PA 281, MCL 125.2152.

2 (v) For a tax increment finance authority under the historic
3 neighborhood tax increment finance authority act, 2004 PA 530, MCL
4 125.2841 to 125.2866, captured assessed value as defined in section
5 2 of the historic neighborhood tax increment finance authority act,
6 2004 PA 530, MCL 125.2842.

7 (vi) For a tax increment finance authority under the corridor
8 improvement authority act, 2005 PA 280, MCL 125.2871 to 125.2899,
9 captured assessed value as defined in section 2 of the corridor
10 improvement authority act, 2005 PA 280, MCL 125.2872.

11 (vii) For a tax increment finance authority under the
12 neighborhood improvement authority act, 2007 PA 61, MCL 125.2911 to
13 125.2932, captured assessed value as defined in section 2 of the
14 neighborhood improvement authority act, 2007 PA 61, MCL 125.2912.

15 (viii) For a tax increment finance authority under the water
16 resource improvement tax increment finance authority act, 2008 PA
17 94, MCL 125.1771 to 125.1793, captured assessed value as defined in
18 section 2 of the water resource improvement tax increment finance
19 authority act, 2008 PA 94, MCL 125.1772.

20 (ix) For a tax increment finance authority under the private
21 investment infrastructure funding act, 2010 PA 250, MCL 125.1871 to
22 125.1883, captured assessed value as defined in section 2 of the
23 private investment infrastructure funding act, 2010 PA 250, MCL
24 125.1872.

25 (x) For a tax increment finance authority under the nonprofit
26 street railway act, 1867 PA 35, MCL 472.1 to 472.27, captured
27 assessed value as defined in section 23 of the nonprofit street

1 railway act, 1867 PA 35, MCL 472.23.

2 (e) "Commercial personal property" means, except as otherwise
3 provided in subparagraph (iii), all of the following:

4 (i) Personal property classified as commercial personal
5 property under section 34c of the general property tax act, 1893 PA
6 206, MCL 211.34c.

7 (ii) Personal property subject to the industrial facilities
8 tax under section 14(1) or (4) of 1974 PA 198, MCL 207.564, that is
9 sited on land classified as commercial real property under section
10 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

11 (iii) Commercial personal property does not include personal
12 property that after 2012 was classified in the municipality where
13 it is currently located as real property or utility personal
14 property.

15 (f) "Council" means the council established for the authority
16 under section 9.

17 (g) "Debt loss" means, for a municipality that is not a local
18 school district, intermediate school district, or tax increment
19 finance authority, the amount of ad valorem property taxes and any
20 specific tax levied for the payment of principal and interest of
21 obligations either approved by the voters before January 1, 2013 or
22 incurred before January 1, 2013 pledging the unlimited or limited
23 taxing power of the municipality that are lost as a result of the
24 exemption of industrial personal property and commercial personal
25 property under sections 9m, 9n, and 9o of the general property tax
26 act, 1893 PA 206, MCL 211.9m, 211.9n, and 211.9o.

27 (h) "Department" means the department of treasury.

1 (i) "Eligible personal property" means personal property
2 described in section 3(e) (i), (iii), and (iv) of the state
3 essential services assessment act, 2014 PA 92, MCL 211.1053.

4 (j) "Essential services" means all of the following:

5 (i) Ambulance services.

6 (ii) Fire services.

7 (iii) Police services.

8 (iv) Jail operations.

9 (v) The funding of pensions for personnel providing services
10 described in subparagraphs (i) to (iv).

11 (k) "Fire services" means services in the prevention and
12 suppression of fire, homeland security response, hazardous
13 materials response, rescue, fire marshal, and medical first-
14 responder services.

15 (l) "Fiscal year" means either an annual period that begins on
16 October 1 and ends on September 30 or the fiscal year for the
17 authority established by the council.

18 (m) "Increased captured value" means the anticipated increase
19 in captured value for all industrial personal property and
20 commercial personal property in a tax increment finance authority
21 that would have occurred as a result of either the addition of
22 personal property as part of a specific project or the expiration
23 of an exemption under section 7k, 7ff, or 9f of the general
24 property tax act, 1893 PA 206, MCL 211.7k, 211.7ff, and 211.9f,
25 after 2013 if the exemptions under section 9m, 9n, or 9o of the
26 general property tax act, 1893 PA 206, MCL 211.9m, 211.9n, and
27 211.9o, were not in effect. In order for an anticipated increase in

1 captured value to qualify as increased captured value, the tax
2 increment financing plan must have demonstrated before 2013 that
3 the tax increment finance authority was relying on this anticipated
4 increase in captured value to pay 1 or more qualified obligations
5 by specifically projecting the anticipated increase in captured
6 value that would be used to pay the qualified obligations and the
7 plan must meet all of the following:

8 (i) The tax increment financing plan was fully approved by the
9 governing body of the applicable local government not later than
10 December 31, 2012. This does not prevent subsequent amendment to
11 the tax increment financing plan, provided the amendment does not
12 change the amount of any obligation under the plan, the scope of
13 the project or projects described in the plan, or the time needed
14 to repay any obligation.

15 (ii) If the tax increment financing plan is part of a
16 brownfield plan under the brownfield redevelopment financing act,
17 1996 PA 381, MCL 125.2651 to ~~125.2672~~, **125.2670**, any needed work
18 plans were also approved by the appropriate state agencies not
19 later than December 31, 2012. This does not prevent subsequent
20 amendment to a work plan, provided the amendment does not change
21 the amount of any obligation under the plan, the scope of the
22 project or projects described in the plan, or the time needed to
23 repay any obligation.

24 (iii) The tax increment financing plan identifies a particular
25 site owner and site occupant that is engaged in industrial
26 processing or direct integrated support, as defined in section 9m
27 of the general property tax act, 1893 PA 206, MCL 211.9m. This does

1 not preclude a change in the site owner or occupant, provided that
2 change in the site owner or occupant did not result from a
3 financial difficulty encountered during the construction and
4 installation of the project and provided change in the site owner
5 or occupant will not result in any change in the project.

6 (iv) The tax increment financing plan identifies a particular
7 project on a specific parcel and that project includes the addition
8 of particular personal property that is eligible manufacturing
9 personal property, as defined in section 9m of the general property
10 tax act, 1893 PA 206, MCL 211.9m, that is also identified in the
11 tax increment financing plan.

12 (v) The personal property that is eligible manufacturing
13 personal property, as defined in section 9m of the general property
14 tax act, 1893 PA 206, MCL 211.9m, and is identified in the tax
15 increment financing plan comprises not less than 20% of the true
16 cash value of the improvements to be made as part of the specific
17 project identified in the tax increment financing plan. The
18 requirement under this subparagraph does not apply to the addition
19 of personal property as a result of the expiration of an exemption
20 under section 7k, 7ff, or 9f of the general property tax act, 1893
21 PA 206, MCL 211.7k, 211.7ff, and 211.9f.

22 (vi) Before December 31, 2012, the specific project identified
23 in the tax increment financing plan had obtained all necessary
24 local zoning approvals, including any necessary rezoning, special
25 land use, and site plan approvals for that project.

26 (vii) Before December 31, 2012, orders had been placed and
27 significant investments made in the personal property that is

1 eligible manufacturing personal property, as defined in section 9m
2 of the general property tax act, 1893 PA 206, MCL 211.9m, to be
3 located on the site.

4 (n) "Increased value from expired tax exemptions" means the
5 increase in taxable value subject to tax of industrial personal
6 property and commercial personal property placed in service before
7 2013 that would have occurred after 2013 if the exemptions under
8 section 9m or 9n of the general property tax act, 1893 PA 206, MCL
9 211.9m and 211.9n, were not in effect as a result of the expiration
10 of an exemption under section 7k, 7ff, or 9f of the general
11 property tax act, 1893 PA 206, MCL 211.7k, 211.7ff, and 211.9f,
12 that had been in effect in 2013, assuming an exemption under
13 section 7k of the general property tax act, 1893 PA 206, MCL
14 211.7k, was not extended under section 11a of 1974 PA 198, MCL
15 207.561a, and an exemption under section 9f of the general property
16 tax act, 1893 PA 206, MCL 211.9f, was not extended under section
17 9f(8) of the general property tax act, 1893 PA 206, MCL 211.9f.

18 (o) "Industrial personal property" means, except as otherwise
19 provided in subparagraph (iii), all of the following:

20 (i) Personal property classified as industrial personal
21 property under section 34c of the general property tax act, 1893 PA
22 206, MCL 211.34c.

23 (ii) Personal property subject to the industrial facilities
24 tax under section 14(1) or (4) of 1974 PA 198, MCL 207.564, that is
25 sited on land classified as industrial real property under section
26 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

27 (iii) Industrial personal property does not include personal

1 property that after 2012 was classified in the municipality where
2 it is currently located as real property or utility personal
3 property.

4 (p) "Jail operations" means all of the following:

5 (i) The operation of a jail, holding cell, holding center, or
6 lockup as those terms are defined in section 62 of the corrections
7 code of 1953, 1953 PA 232, MCL 791.262.

8 (ii) The operation of a juvenile detention facility by a
9 county juvenile agency as authorized under section 7 of the county
10 juvenile agency act, 1998 PA 518, MCL 45.627.

11 (q) "Local community stabilization share" means that portion
12 of the use tax levied by the authority and authorized under the use
13 tax act, 1937 PA 94, MCL 205.91 to 205.111.

14 (r) "Municipality" includes, but is not limited to, the
15 following:

16 (i) Counties.

17 (ii) Cities.

18 (iii) Villages.

19 (iv) Townships.

20 (v) Authorities, excluding an authority created under this
21 act.

22 (vi) Local school districts.

23 (vii) Intermediate school districts.

24 (viii) Community college districts.

25 (ix) Libraries.

26 (x) Other local and intergovernmental taxing units.

27 (s) "Personal property exemption loss" means 1 of the

1 following:

2 (i) For a municipality that is not a local school district,
3 intermediate school district, or tax increment finance authority,
4 the 2013 taxable value of commercial personal property and
5 industrial personal property minus the current year taxable value
6 of commercial personal property and industrial personal property
7 and minus the small taxpayer exemption loss. The calculation under
8 this subparagraph must be modified for municipality boundary
9 changes to the extent that the boundary changes affect the property
10 taxes levied by the municipality.

11 (ii) For a municipality that is a local school district,
12 intermediate school district, or tax increment finance authority,
13 the 2013 taxable value of commercial personal property and
14 industrial personal property minus the current year taxable value
15 of commercial personal property and industrial personal property.
16 The calculation under this subparagraph must be modified for
17 municipality boundary changes to the extent that the boundary
18 changes affect the property taxes levied by the municipality.

19 (t) "Police services" means law enforcement services for the
20 prevention and detection of crime, the enforcement of laws and
21 ordinances, homeland security response, and medical first-responder
22 services.

23 (u) "Qualified loss" means the amounts calculated under
24 section 14(1) that are not distributed to the municipality under
25 section 17(4) (a).

26 (v) "Qualified obligation" means a written promise to pay by a
27 tax increment finance authority, whether evidenced by a contract,

1 agreement, lease, sublease, bond, resolution promising repayment of
2 an advance, or note, or a requirement to pay imposed by law. A
3 qualified obligation does not include a payment required solely
4 because of default upon an obligation, employee salary, or
5 consideration paid for the use of municipal offices. A qualified
6 obligation does not include bonds that have been economically
7 defeased by refunding.

8 (w) "School debt loss" means the amount of revenue lost from
9 ad valorem property taxes and any specific tax specifically levied
10 for the payment of principal and interest of obligations approved
11 by the electors before January 1, 2013 or obligations pledging the
12 unlimited taxing power of a local school district or intermediate
13 school district incurred before January 1, 2013, as a result of the
14 exemption of industrial personal property and commercial personal
15 property under sections 9m, 9n, and 9o of the general property tax
16 act, 1893 PA 206, MCL 211.9m, 211.9n, and 211.9o.

17 (x) "School operating loss not reimbursed by the school aid
18 fund" means the amount of revenue lost from ad valorem property
19 taxes levied under section 1211 of the revised school code, 1976 PA
20 451, MCL 380.1211, as a result of the exemption of industrial
21 personal property and commercial personal property under sections
22 9m, 9n, and 9o of the general property tax act, 1893 PA 206, MCL
23 211.9m, 211.9n, and 211.9o, for mills other than basic school
24 operating mills, as that term is defined in section 2c of the use
25 tax act, 1937 PA 94, MCL 205.92c.

26 (y) "Small taxpayer exemption loss" means 1 of the following:

27 (i) For the 2014 calendar year, the 2013 taxable value of

1 commercial personal property and industrial personal property minus
2 the 2014 taxable value of commercial personal property and
3 industrial personal property. The calculation under this
4 subparagraph must be modified for municipality boundary changes to
5 the extent that the boundary changes affect the property taxes
6 levied by the municipality.

7 (ii) For the 2015 calendar year and subsequent calendar years,
8 the greater of the amount calculated under subparagraph (i) and the
9 2013 taxable value of commercial personal property and industrial
10 personal property minus the 2015 taxable value of commercial
11 personal property and industrial personal property. The calculation
12 under this subparagraph must be modified for municipality boundary
13 changes to the extent that the boundary changes affect the property
14 taxes levied by the municipality.

15 (z) "Specific tax" means a tax levied under 1974 PA 198, MCL
16 207.551 to 207.572.

17 (aa) "Tax increment finance authority" means an authority
18 created under 1 or more of the following:

19 (i) 1975 PA 197, MCL 125.1651 to 125.1681.

20 (ii) The tax increment finance authority act, 1980 PA 450, MCL
21 125.1801 to 125.1830.

22 (iii) The local development financing act, 1986 PA 281, MCL
23 125.2151 to 125.2174.

24 (iv) The brownfield redevelopment financing act, 1996 PA 381,
25 MCL 125.2651 to ~~125.2672~~**125.2670**.

26 (v) The historic neighborhood tax increment finance authority
27 act, 2004 PA 530, MCL 125.2841 to 125.2866.

1 (vi) The corridor improvement authority act, 2005 PA 280, MCL
2 125.2871 to 125.2899.

3 (vii) The neighborhood improvement authority act, 2007 PA 61,
4 MCL 125.2911 to 125.2932.

5 (viii) The water resource improvement tax increment finance
6 authority act, 2008 PA 94, MCL 125.1771 to 125.1793.

7 (ix) The private investment infrastructure funding act, 2010
8 PA 250, MCL 125.1871 to 125.1883.

9 (x) The nonprofit street railway act, 1867 PA 35, MCL 472.1 to
10 472.27.

11 (bb) "Tax increment small taxpayer loss" means the amount of
12 revenue lost by a municipality that is a tax increment finance
13 authority due to the exemption provided by section 9o of the
14 general property tax act, 1893 PA 206, MCL 211.9o.

15 (cc) "Taxable value" means all of the following:

16 (i) Except as otherwise provided in subparagraph (ii), that
17 value determined under section 27a of the general property tax act,
18 1893 PA 206, MCL 211.27a.

19 (ii) For real or personal property subject to the industrial
20 facilities tax under section 14(3) or (4) of 1974 PA 198, MCL
21 207.564, 50% of that value determined under section 27a of the
22 general property tax act, 1893 PA 206, MCL 211.27a.

23 (dd) "Total qualified loss" means the total amount of
24 qualified losses of all municipalities, as determined by the
25 department.

26 (ee) "Utility personal property" means that term as described
27 in section 34c of the general property tax act, 1893 PA 206, MCL

1 211.34c.

2 Sec. 17. (1) The legislature shall appropriate funds for all
3 of the following purposes:

4 (a) For fiscal year 2014-2015 and fiscal year 2015-2016, to
5 the authority, an amount equal to all debt loss for municipalities
6 that are not a local school district, intermediate school district,
7 or tax increment finance authority, an amount equal to all school
8 debt loss for municipalities that are a local school district or
9 intermediate school district, and an amount equal to all tax
10 increment small taxpayer loss for municipalities that are a tax
11 increment finance authority. Funds appropriated under this
12 subdivision for fiscal year 2015-2016 may be used to pay a
13 corrected tax increment small taxpayer exemption loss for 2014 if a
14 tax increment finance authority submits before June 1, 2016 a
15 correction to a report that was filed under section 16a before
16 October 1, 2014.

17 (b) For fiscal year 2014-2015 through fiscal year 2018-2019 an
18 amount equal to the necessary expenses incurred by the department
19 in implementing this act.

20 (c) Beginning in fiscal year 2019-2020 and each fiscal year
21 thereafter, an amount equal to the necessary expenses incurred by
22 the authority and the department in implementing this act.

23 (2) In fiscal year 2014-2015 and fiscal year 2015-2016, the
24 authority shall distribute to municipalities those funds
25 appropriated under subsection (1)(a). However, in fiscal year 2014-
26 2015, if the authority is not able to make the distribution under
27 this subsection, the department shall make the distribution under

1 this subsection on behalf of the authority.

2 (3) For calendar years 2014 and 2015, the authority shall
3 distribute local community stabilization share revenue to each city
4 in an amount determined by multiplying the sum of the local
5 community stabilization share revenue for the calendar years and
6 the amounts calculated under section 14(3)(e) and (f) by a
7 fraction, the numerator of which is that city's amount calculated
8 under section 14(3)(d) and the denominator of which is the total
9 amount calculated under section 14(3)(d), and subtracting from the
10 result each city's amounts calculated under section 14(3)(e) and
11 (f).

12 (4) Beginning for calendar year 2016, the authority shall
13 distribute local community stabilization share revenue as follows
14 in the following order of priority:

15 (a) The authority shall distribute to each municipality an
16 amount equal to all of the following:

17 (i) 100% of that municipality's school debt loss in the
18 current year and 100% of its amount calculated under section 15.

19 (ii) 100% of that municipality's amount calculated under
20 section 16.

21 (iii) 100% of that municipality's school operating loss not
22 reimbursed by the school aid fund in the current year.

23 (iv) 100% of the amount calculated in section 14(2). However,
24 the amount distributed to a municipality under this subparagraph
25 shall not exceed the amount calculated in section 14(1)(d). All
26 distributions under this subparagraph shall be used to fund
27 essential services.

1 (v) For a municipality that is a tax increment finance
2 authority, 100% of its amount calculated under section 16a(2).

3 (vi) 100% of that municipality's amount calculated under
4 section 14(4).

5 (b) Beginning for calendar year 2019, after the distributions
6 under subdivision (a), and subject to subparagraph (viii), the
7 authority shall distribute **AN AMOUNT EQUAL TO** 5% of the ~~remaining~~
8 ~~balance of the local community stabilization share fund~~ **TOTAL**
9 **QUALIFIED LOSS** for the current calendar year to each municipality
10 that is not a local school district, intermediate school district,
11 or tax increment finance authority in an amount determined as
12 follows:

13 (i) Calculate the total acquisition cost of all eligible
14 personal property in the municipality.

15 (ii) Multiply the result of the calculation in subparagraph
16 (i) by the sum of the lowest rate of each individual millage levied
17 by the municipality in the period between 2012 and the year
18 immediately preceding the current year that is not used to
19 calculate a distribution under subdivision (a) (i) to (iv). For an
20 individual millage rate not levied in 1 of the years, the lowest
21 millage rate is zero. A millage used to make the calculation under
22 this subparagraph must be eligible to be levied against both real
23 property and personal property.

24 (iii) Divide the sum of the amounts calculated under
25 subparagraph (ii) for all municipalities subject to the calculation
26 by total qualified loss.

27 (iv) Multiply the result of the calculation in subparagraph

1 (iii) by the amount calculated under section 16a(2) for captured
2 taxes levied by the municipality not including taxes attributable
3 to increased captured value.

4 (v) Subtract from the amount calculated under subparagraph
5 (ii) the amount calculated under subparagraph (iv).

6 (vi) Divide the result of the calculation in subparagraph (v)
7 by the sum of the calculation under subparagraph (v) for all
8 municipalities.

9 (vii) Multiply the result of the calculation in subparagraph
10 (vi) by the amount to be distributed under this subdivision.

11 (viii) For calendar year 2020, and each calendar year
12 thereafter, the percentage amount described in this subdivision
13 shall be increased an additional 5% each year, not to exceed 100%.

14 (c) ~~After~~ **FOR CALENDAR YEARS 2016 AND 2017, AFTER** the
15 distributions in subdivisions (a) and (b), the authority shall
16 distribute the remaining balance of the local community
17 stabilization share fund for a calendar year to each municipality
18 in an amount determined by multiplying the remaining balance by a
19 fraction, the numerator of which is that municipality's qualified
20 loss and the denominator of which is the total qualified loss.
21 **BEGINNING FOR CALENDAR YEAR 2018, AFTER THE DISTRIBUTIONS IN**
22 **SUBDIVISIONS (A) AND (B), THE AUTHORITY SHALL DISTRIBUTE LOCAL**
23 **COMMUNITY STABILIZATION SHARE REVENUE UNDER THIS SUBDIVISION TO**
24 **EACH MUNICIPALITY IN AN AMOUNT DETERMINED BY MULTIPLYING TOTAL**
25 **QUALIFIED LOSS MINUS THE TOTAL AMOUNT DISTRIBUTED IN SUBDIVISION**
26 **(B) FOR A CALENDAR YEAR BY A FRACTION, THE NUMERATOR OF WHICH IS**
27 **THAT MUNICIPALITY'S QUALIFIED LOSS AND THE DENOMINATOR OF WHICH IS**

House Bill No. 5908 as amended May 15, 2018

THE TOTAL QUALIFIED LOSS.

(D) BEGINNING FOR CALENDAR YEAR 2018, AFTER THE DISTRIBUTIONS IN SUBDIVISIONS (A), (B), AND (C), THE AUTHORITY SHALL DISTRIBUTE THE REMAINING BALANCE OF THE LOCAL COMMUNITY STABILIZATION SHARE FUND FOR A CALENDAR YEAR AS FOLLOWS:

(i) DISTRIBUTE \$12,000,000.00 TO MUNICIPALITIES WITH STATE FACILITIES UNDER THE FIRE PROTECTION SERVICES FOR STATE FACILITIES ACT, 1977 PA 289, MCL 141.951 TO 141.956. THE [DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS] SHALL CERTIFY TO

THE DEPARTMENT THE AMOUNTS TO BE PAID TO MUNICIPALITIES UNDER THIS SUBPARAGRAPH.

(ii) AFTER THE DISTRIBUTIONS IN SUBPARAGRAPH (i), DISTRIBUTE THE REMAINING BALANCE IN ACCORDANCE WITH SUB-SUBPARAGRAPHS (A) TO (E), SUBJECT TO SUB-SUBPARAGRAPHS (F) AND (G), AS FOLLOWS:

(A) DISTRIBUTE AN AMOUNT EQUAL TO 30% OF THE REMAINING BALANCE TO COUNTIES, AS FOLLOWS:

(I) FOR CALENDAR YEAR 2018: 10% OF THAT AMOUNT, EACH COUNTY'S SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF THE TOTAL POPULATION OF ALL COUNTIES; AND 90% OF THAT AMOUNT, EACH COUNTY'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF ALL COUNTIES.

(II) FOR CALENDAR YEAR 2019: 20% OF THAT AMOUNT, EACH COUNTY'S SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF THE TOTAL POPULATION OF ALL COUNTIES; AND 80% OF THAT AMOUNT, EACH COUNTY'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF ALL COUNTIES.

(III) FOR CALENDAR YEAR 2020: 30% OF THAT AMOUNT, EACH

1 COUNTY'S SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF
2 THE TOTAL POPULATION OF ALL COUNTIES; AND 70% OF THAT AMOUNT, EACH
3 COUNTY'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE
4 OF THE COMBINED QUALIFIED LOSS OF ALL COUNTIES.

5 (IV) FOR CALENDAR YEAR 2021: 40% OF THAT AMOUNT, EACH COUNTY'S
6 SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF THE TOTAL
7 POPULATION OF ALL COUNTIES; AND 60% OF THAT AMOUNT, EACH COUNTY'S
8 SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE OF THE
9 COMBINED QUALIFIED LOSS OF ALL COUNTIES.

10 (V) FOR CALENDAR YEAR 2022 AND EACH CALENDAR YEAR THEREAFTER:
11 50% OF THAT AMOUNT, EACH COUNTY'S SHARE IN PROPORTION TO ITS
12 POPULATION AS A PERCENTAGE OF THE TOTAL POPULATION OF ALL COUNTIES;
13 AND 50% OF THAT AMOUNT, EACH COUNTY'S SHARE IN PROPORTION TO ITS
14 QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF
15 ALL COUNTIES.

16 (B) DISTRIBUTE AN AMOUNT EQUAL TO 48% OF THE REMAINING BALANCE
17 TO CITIES, AS FOLLOWS:

18 (I) FOR CALENDAR YEAR 2018: 10% OF THAT AMOUNT, EACH CITY'S
19 SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF THE TOTAL
20 POPULATION OF ALL CITIES; AND 90% OF THAT AMOUNT, EACH CITY'S SHARE
21 IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED
22 QUALIFIED LOSS OF ALL CITIES.

23 (II) FOR CALENDAR YEAR 2019: 20% OF THAT AMOUNT, EACH CITY'S
24 SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF THE TOTAL
25 POPULATION OF ALL CITIES; AND 80% OF THAT AMOUNT, EACH CITY'S SHARE
26 IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED
27 QUALIFIED LOSS OF ALL CITIES.

1 (III) FOR CALENDAR YEAR 2020: 30% OF THAT AMOUNT, EACH CITY'S
2 SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF THE TOTAL
3 POPULATION OF ALL CITIES; AND 70% OF THAT AMOUNT, EACH CITY'S SHARE
4 IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED
5 QUALIFIED LOSS OF ALL CITIES.

6 (IV) FOR CALENDAR YEAR 2021: 40% OF THAT AMOUNT, EACH CITY'S
7 SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF THE TOTAL
8 POPULATION OF ALL CITIES; AND 60% OF THAT AMOUNT, EACH CITY'S SHARE
9 IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED
10 QUALIFIED LOSS OF ALL CITIES.

11 (V) FOR CALENDAR YEAR 2022 AND EACH CALENDAR YEAR THEREAFTER:
12 50% OF THAT AMOUNT, EACH CITY'S SHARE IN PROPORTION TO ITS
13 POPULATION AS A PERCENTAGE OF THE TOTAL POPULATION OF ALL CITIES;
14 AND 50% OF THAT AMOUNT, EACH CITY'S SHARE IN PROPORTION TO ITS
15 QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF
16 ALL CITIES.

17 (C) DISTRIBUTE AN AMOUNT EQUAL TO 2% OF THE REMAINING BALANCE
18 TO VILLAGES, AS FOLLOWS:

19 (I) FOR CALENDAR YEAR 2018: 10% OF THAT AMOUNT, EACH VILLAGE'S
20 SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF THE TOTAL
21 POPULATION OF ALL VILLAGES; AND 90% OF THAT AMOUNT, EACH VILLAGE'S
22 SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE OF THE
23 COMBINED QUALIFIED LOSS OF ALL VILLAGES.

24 (II) FOR CALENDAR YEAR 2019: 20% OF THAT AMOUNT, EACH
25 VILLAGE'S SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF
26 THE TOTAL POPULATION OF ALL VILLAGES; AND 80% OF THAT AMOUNT, EACH
27 VILLAGE'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE

1 OF THE COMBINED QUALIFIED LOSS OF ALL VILLAGES.

2 (III) FOR CALENDAR YEAR 2020: 30% OF THAT AMOUNT, EACH
3 VILLAGE'S SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF
4 THE TOTAL POPULATION OF ALL VILLAGES; AND 70% OF THAT AMOUNT, EACH
5 VILLAGE'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE
6 OF THE COMBINED QUALIFIED LOSS OF ALL VILLAGES.

7 (IV) FOR CALENDAR YEAR 2021: 40% OF THAT AMOUNT, EACH
8 VILLAGE'S SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF
9 THE TOTAL POPULATION OF ALL VILLAGES; AND 60% OF THAT AMOUNT, EACH
10 VILLAGE'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE
11 OF THE COMBINED QUALIFIED LOSS OF ALL VILLAGES.

12 (V) FOR CALENDAR YEAR 2022 AND EACH CALENDAR YEAR THEREAFTER:
13 50% OF THAT AMOUNT, EACH VILLAGE'S SHARE IN PROPORTION TO ITS
14 POPULATION AS A PERCENTAGE OF THE TOTAL POPULATION OF ALL VILLAGES;
15 AND 50% OF THAT AMOUNT, EACH VILLAGE'S SHARE IN PROPORTION TO ITS
16 QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF
17 ALL VILLAGES.

18 (D) DISTRIBUTE AN AMOUNT EQUAL TO 5% OF THE REMAINING BALANCE
19 TO TOWNSHIPS, AS FOLLOWS:

20 (I) FOR CALENDAR YEAR 2018: 10% OF THAT AMOUNT, EACH
21 TOWNSHIP'S SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF
22 THE TOTAL POPULATION OF ALL TOWNSHIPS; AND 90% OF THAT AMOUNT, EACH
23 TOWNSHIP'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A
24 PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF ALL TOWNSHIPS.

25 (II) FOR CALENDAR YEAR 2019: 20% OF THAT AMOUNT, EACH
26 TOWNSHIP'S SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF
27 THE TOTAL POPULATION OF ALL TOWNSHIPS; AND 80% OF THAT AMOUNT, EACH

1 TOWNSHIP'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A
2 PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF ALL TOWNSHIPS.

3 (III) FOR CALENDAR YEAR 2020: 30% OF THAT AMOUNT, EACH
4 TOWNSHIP'S SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF
5 THE TOTAL POPULATION OF ALL TOWNSHIPS; AND 70% OF THAT AMOUNT, EACH
6 TOWNSHIP'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A
7 PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF ALL TOWNSHIPS.

8 (IV) FOR CALENDAR YEAR 2021: 40% OF THAT AMOUNT, EACH
9 TOWNSHIP'S SHARE IN PROPORTION TO ITS POPULATION AS A PERCENTAGE OF
10 THE TOTAL POPULATION OF ALL TOWNSHIPS; AND 60% OF THAT AMOUNT, EACH
11 TOWNSHIP'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A
12 PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF ALL TOWNSHIPS.

13 (V) FOR CALENDAR YEAR 2022 AND EACH CALENDAR YEAR THEREAFTER:
14 50% OF THAT AMOUNT, EACH TOWNSHIP'S SHARE IN PROPORTION TO ITS
15 POPULATION AS A PERCENTAGE OF THE TOTAL POPULATION OF ALL
16 TOWNSHIPS; AND 50% OF THAT AMOUNT, EACH TOWNSHIP'S SHARE IN
17 PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED
18 QUALIFIED LOSS OF ALL TOWNSHIPS.

19 (E) DISTRIBUTE AN AMOUNT EQUAL TO 15% OF THE REMAINING BALANCE
20 TO COMMUNITY COLLEGES, AS FOLLOWS:

21 (I) FOR CALENDAR YEAR 2018: 10% OF THAT AMOUNT, EACH COMMUNITY
22 COLLEGE'S SHARE IN PROPORTION TO ITS TOTAL FISCAL YEAR EQUATED
23 STUDENTS AS A PERCENTAGE OF THE TOTAL FISCAL YEAR EQUATED STUDENTS
24 FOR ALL COMMUNITY COLLEGES; AND 90% OF THAT AMOUNT, EACH COMMUNITY
25 COLLEGE'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A PERCENTAGE
26 OF THE COMBINED QUALIFIED LOSS OF ALL COMMUNITY COLLEGES.

27 (II) FOR CALENDAR YEAR 2019: 20% OF THAT AMOUNT, EACH

1 COMMUNITY COLLEGE'S SHARE IN PROPORTION TO ITS TOTAL FISCAL YEAR
2 EQUATED STUDENTS AS A PERCENTAGE OF THE TOTAL FISCAL YEAR EQUATED
3 STUDENTS FOR ALL COMMUNITY COLLEGES; AND 80% OF THAT AMOUNT, EACH
4 COMMUNITY COLLEGE'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A
5 PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF ALL COMMUNITY
6 COLLEGES.

7 (III) FOR CALENDAR YEAR 2020: 30% OF THAT AMOUNT, EACH
8 COMMUNITY COLLEGE'S SHARE IN PROPORTION TO ITS TOTAL FISCAL YEAR
9 EQUATED STUDENTS AS A PERCENTAGE OF THE TOTAL FISCAL YEAR EQUATED
10 STUDENTS FOR ALL COMMUNITY COLLEGES; AND 70% OF THAT AMOUNT, EACH
11 COMMUNITY COLLEGE'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A
12 PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF ALL COMMUNITY
13 COLLEGES.

14 (IV) FOR CALENDAR YEAR 2021: 40% OF THAT AMOUNT, EACH
15 COMMUNITY COLLEGE'S SHARE IN PROPORTION TO ITS TOTAL FISCAL YEAR
16 EQUATED STUDENTS AS A PERCENTAGE OF THE TOTAL FISCAL YEAR EQUATED
17 STUDENTS FOR ALL COMMUNITY COLLEGES; AND 60% OF THAT AMOUNT, EACH
18 COMMUNITY COLLEGE'S SHARE IN PROPORTION TO ITS QUALIFIED LOSS AS A
19 PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF ALL COMMUNITY
20 COLLEGES.

21 (V) FOR CALENDAR YEAR 2022 AND EACH CALENDAR YEAR THEREAFTER:
22 50% OF THAT AMOUNT, EACH COMMUNITY COLLEGE'S SHARE IN PROPORTION TO
23 ITS TOTAL FISCAL YEAR EQUATED STUDENTS AS A PERCENTAGE OF THE TOTAL
24 FISCAL YEAR EQUATED STUDENTS FOR ALL COMMUNITY COLLEGES; AND 50% OF
25 THAT AMOUNT, EACH COMMUNITY COLLEGE'S SHARE IN PROPORTION TO ITS
26 QUALIFIED LOSS AS A PERCENTAGE OF THE COMBINED QUALIFIED LOSS OF
27 ALL COMMUNITY COLLEGES.

(F) FOR PURPOSES OF SUB-SUBPARAGRAPHS (A) TO (D), POPULATION SHALL BE DETERMINED IN THE SAME MANNER AS UNDER SECTION 3 OF THE GLENN STEIL STATE REVENUE SHARING ACT OF 1971, 1971 PA 140, MCL 141.903. IN ADDITION, ANY CITY OR VILLAGE THAT ACCORDING TO THE MOST RECENT FEDERAL DECENNIAL CENSUS IS DETERMINED TO HAVE POPULATION IN MORE THAN 1 COUNTY SHALL BE TREATED AS A SINGLE ENTITY WHEN DETERMINING THE DISTRIBUTION TO THE CITY OR VILLAGE UNDER THIS SUBPARAGRAPH.

(G) FOR PURPOSES OF SUB-SUBPARAGRAPH (E), FISCAL YEAR EQUATED STUDENTS FOR EACH COMMUNITY COLLEGE SHALL BE DETERMINED BY THE DEPARTMENT OF EDUCATION AS REPORTED IN THE STATE COMMUNITY COLLEGE DATABASE COMMONLY KNOWN AS THE "ACTIVITIES CLASSIFICATION STRUCTURE" OR "ACS" DATABASE PURSUANT TO SECTION 217 OF THE STATE SCHOOL AID ACT OF 1979, 1979 PA 94, MCL 388.1817.

(5) The authority shall make the payments required by subsection (3) not later than May 20, 2016, and payments required by subsection (4) not later than on the following dates:

(a) For county allocated millage, November 20, 2017, and thereafter ~~September~~ **OCTOBER** 20 of the year the millage is levied.

(b) For county extra-voted millage, township millage, and other millages levied 100% in December of a year, February 20 of the following year.

(c) For other millages, November 20, 2017, and thereafter October 20 of the year the millage is levied.

(D) FOR PAYMENTS REQUIRED UNDER SUBSECTION (4) (D) (i), NOVEMBER 30 OF EACH YEAR.

(E) FOR PAYMENTS REQUIRED UNDER SUBSECTION (4) (D) (ii), MAY 20

1 **OF THE FOLLOWING YEAR.**

2 (6) If the authority has insufficient funds to make the
3 payments on the dates required in subsection (5), the department
4 shall advance to the authority the amount necessary for the
5 authority to make the required payments. The authority shall repay
6 the advance to the department from the local community
7 stabilization share.

8 (7) For each fiscal year from fiscal year 2015-2016 through
9 fiscal year 2018-2019, the authority may use up to \$300,000.00 of
10 the local community stabilization share revenue for purposes
11 consistent with implementing and administering this act.

12 (8) The authority shall distribute local community
13 stabilization share revenue under this section as follows:

14 (a) From fiscal year 2015-2016 local community stabilization
15 share revenue, \$19,200,000.00 for calendar years 2014 and 2015 and
16 \$76,900,000.00 for calendar year 2016.

17 (b) From fiscal year 2016-2017 local community stabilization
18 share revenue, \$297,400,000.00 for calendar year 2016 and
19 \$83,200,000.00 for calendar year 2017.

20 (c) From fiscal year 2017-2018 local community stabilization
21 share revenue, \$321,500,000.00 for calendar year 2017 and
22 \$89,000,000.00 for calendar year 2018.

23 (d) From fiscal year 2018-2019 local community stabilization
24 share revenue, \$341,800,000.00 for calendar year 2018 and
25 \$95,900,000.00 for calendar year 2019.

26 (e) From fiscal year 2019-2020 local community stabilization
27 share revenue, \$364,500,000.00 for calendar year 2019 and

1 \$101,400,000.00 for calendar year 2020.

2 (f) From fiscal year 2020-2021 local community stabilization
3 share revenue, \$383,500,000.00 for calendar year 2020 and
4 \$108,000,000.00 for calendar year 2021.

5 (g) From fiscal year 2021-2022 local community stabilization
6 share revenue, \$405,700,000.00 for calendar year 2021 and
7 \$115,600,000.00 for calendar year 2022.

8 (h) From fiscal year 2022-2023 local community stabilization
9 share revenue, \$428,300,000.00 for calendar year 2022 and
10 \$119,700,000.00 for calendar year 2023.

11 (i) From fiscal year 2023-2024 local community stabilization
12 share revenue, \$438,900,000.00 for calendar year 2023 and
13 \$122,800,000.00 for calendar year 2024.

14 (j) From fiscal year 2024-2025 local community stabilization
15 share revenue, \$445,800,000.00 for calendar year 2024 and
16 \$124,000,000.00 for calendar year 2025.

17 (k) From fiscal year 2025-2026 local community stabilization
18 share revenue, \$447,100,000.00 for calendar year 2025 and
19 \$124,300,000.00 for calendar year 2026.

20 (l) From fiscal year 2026-2027 local community stabilization
21 share revenue, \$447,700,000.00 for calendar year 2026 and
22 \$124,500,000.00 for calendar year 2027.

23 (m) From fiscal year 2027-2028 local community stabilization
24 share revenue, \$448,000,000.00 for calendar year 2027 and
25 \$124,600,000.00 for calendar year 2028.

26 (n) From the local community stabilization share revenue for
27 fiscal year 2028-2029 and each fiscal year thereafter, the

1 authority shall increase the prior fiscal year's 2 distribution
2 amounts under this subsection by the personal property growth
3 factor, the first amount for the calendar year in which the fiscal
4 year begins and the second amount for the calendar year in which
5 the fiscal year ends. As used in this subdivision, "personal
6 property growth factor" means that term as defined in section 2c of
7 the use tax act, 1937 PA 94, MCL 205.92c.