



HOUSE BILL No. 5956

November 29 1994, Introduced by Reps Dalman Hillegonds, Bandstra Voorhees and Whyman and referred to the Committee on Education

A bill to provide for the creation of community swimming pool authorities to provide powers and duties of the authorities to provide for the levy of a tax by the authorities and to provide for the collection and distribution of the tax

THE PEOPLE OF THE STATE OF MICHIGAN ENACT

1 Sec 1 As used in this act

2 (a) Articles means the articles of incorporation of an
3 authority

4 (b) 'Authority" means a community swimming pool authority
5 created under section 3

6 (c) 'Board' means the board of directors of the authority

7 (d) "Community swimming pool" means an artificial body of
8 water owned or operated by an authority or a district that is
9 used collectively by a number of individuals primarily for the
10 purpose of swimming, wading, recreation, or instruction and

1 includes related equipment structures areas and enclosures
2 intended for the use of individuals using or operating the swim-
3 ming pool such as equipment, dressing, locker, shower and toilet
4 rooms

5 (e) "District" means a school district that serves a munici-
6 pality whose population is not less than 15,000 and whose terri-
7 tory is located in not less than 2 counties, each of which has at
8 least 15% of the municipality's population

9 (f) Municipality means a city, village, or township

10 (g) "Participating municipality" means a municipality that
11 has adopted a resolution providing for the establishment of and
12 the municipality's participation in an authority

13 (h) Superintendent means the superintendent of the board
14 of education of a district

15 Sec 3 (1) Two or more municipalities may jointly estab-
16 lish a community swimming pool authority if the following
17 requirements are met

18 (a) There is a single district in which all or part of the
19 territory of each municipality is located

20 (b) The legislative body of each municipality adopts a reso-
21 lution providing for the establishment of and participation in
22 the authority pursuant to this act

23 (2) The resolution required under subsection (1) shall pro-
24 vide that only that portion of the municipality's territory
25 located within the district is subject to the levy and collection
26 of the tax authorized in section 13

1 (3) A community swimming pool authority established pursuant
2 to this act is a public corporate body and is an authority under
3 section 6 of article IX of the state constitution of 1963

4 (4) An authority shall exercise its powers as an autonomous
5 entity

6 Sec 5 (1) An authority shall be governed by a board of
7 directors appointed by the participating municipalities

8 (2) The legislative body of the participating municipality
9 with the greatest population in the district shall appoint 4 mem-
10 bers to the board The legislative body of each of the other
11 participating municipalities shall appoint 1 member to the
12 board Appointed members of the board shall serve a term of 4
13 years, except that, of the 4 board members initially appointed by
14 the participating municipality with the greatest population in
15 the district 1 shall serve a term of 1 year, 1 shall serve a
16 term of 2 years, and 1 shall serve a term of 3 years

17 (3) The superintendent of the district or his or her desig-
18 nated representative shall serve on the board as an ex officio
19 member without the right to vote

20 (4) A member of the legislative body of a participating
21 municipality or the board of education of the district is not
22 eligible to become a member of the board

23 (5) A vacancy shall occur on the board as provided in
24 section 3 of chapter 15 of the Revised Statutes of 1846, being
25 section 201 3 of the Michigan Compiled Laws A vacancy on the
26 board shall be filled in the same manner as the original
27 appointment for the balance of the unexpired term

1 (6) A majority of the members of the board constitutes a
2 quorum for the purpose of conducting business and exercising the
3 powers of an authority Official action may be taken by an
4 authority upon the vote of a majority of the board members
5 present, unless the bylaws of the authority require a larger
6 number

7 (7) Members of the board shall not receive compensation for
8 services as members of the board but shall be reimbursed by the
9 authority for necessary expenses including travel expenses pre-
10 viously authorized by the board, incurred in the discharge of
11 their duties

12 (8) The business that an authority may perform shall be con-
13 ducted at a public meeting of the board held in compliance with
14 the open meetings act, Act No 267 of the Public Acts of 1976,
15 being sections 15 261 to 15 275 of the Michigan Compiled Laws
16 Public notice of the time, date, and place of the meeting shall
17 be given in the manner required by Act No 267 of the Public Acts
18 of 1976

19 (9) A writing prepared, owned, or used by an authority in
20 the performance of an official function shall be made available
21 in compliance with the freedom of information act, Act No 442 of
22 the Public Acts of 1976, being sections 15 231 to 15 246 of the
23 Michigan Compiled Laws

24 (10) At its first meeting, a board shall elect a chair-
25 person a secretary a treasurer, and any other officers it con-
26 sider necessary A board shall meet at least quarterly

1 Sec 7 (1) A board shall draft articles of incorporation
2 and bylaws for the administration of the authority

3 (2) An authority s articles shall state the following

4 (a) The name of the authority

5 (b) The name of each participating municipality

6 (c) The name of the district

7 (d) The purposes for which the authority is formed

8 (e) The powers, duties, and limitations of the authority and
9 its board

10 (f) Any other matters that the board considers advisable

11 (3) The articles of an authority shall be adopted and may be
12 amended by an affirmative vote of a majority of the members serv-
13 ing on the board

14 (4) Before the articles or amendments to the articles are
15 adopted, the articles or amendments to the articles shall be pub-
16 lished at least once in a newspaper generally circulated within
17 the participating municipalities

18 (5) The adoption of articles or amendments to the articles
19 by the board shall be evidenced by an endorsement on the articles
20 or amendments by the secretary of the board in a form substan-
21 tially as follows

22 These articles of incorporation (or amendments to the arti-
23 cles of incorporation) were adopted by an affirmative vote of a
24 majority of the members serving on the board of the _____
25 community swimming pool authority at a meeting duly held on the
26 ____ day of _____, A D , ____

1 (6) Upon adoption of the articles or amendments to the
2 articles by the board a printed copy of the articles or the
3 amended articles shall be filed with the secretary of the dis-
4 trict, the clerk of each participating municipality, and the sec-
5 retary of state

6 (7) An authority is established when its articles of incor-
7 poration are adopted by the board and are filed with the secre-
8 tary of state

9 (8) The geographical boundaries of an authority are cotermi-
10 nous with the geographical boundaries of the district within each
11 participating municipality and become fixed when the authority is
12 established After an authority is established, its geographical
13 boundaries shall not automatically change as a result of a change
14 in a district's geographical boundaries After an authority is
15 established, its geographical boundaries may only be altered by a
16 majority vote of the board

17 Sec 9 (1) An authority has all the powers necessary to
18 own or operate a community swimming pool, including, but not
19 limited to the following

20 (a) Acquire and hold, by purchase lease with or without
21 option to purchase, grant gift, devise, land contract install-
22 ment purchase contract bequest or other legal means, real and
23 personal property inside or outside the boundaries of the
24 district The property may include franchises easements, or
25 rights of way on, under or above any property The authority
26 may pay for the property from or pledge for the payment of the
27 property, revenue of the authority

1 (b) Apply for and accept grants or contributions from
2 individuals the federal government or any of its agencies this
3 state, a municipality or other public or private agencies to be
4 used for any of the purposes of this act

5 (c) Retain full-time or part-time employees

6 (d) Provide for the maintenance of all of the real and per-
7 sonal property of the authority

8 (e) Assess and collect fees for its services and expenses

9 (f) Levy the tax described in section 13 and distribute the
10 proceeds of the tax

11 (g) Enter into contracts incidental to or necessary for the
12 operation of a community swimming pool

13 (h) Subject to the limitations in section 11, borrow money
14 and issue notes under the municipal finance act, Act No 202 of
15 the Public Acts of 1943, being sections 131 1 to 139 3 of the
16 Michigan Compiled Laws, in anticipation of collection of the tax
17 authorized in section 11

18 (i) Subject to the limitations in section 11 issue negotia-
19 ble revenue bonds under the revenue bond act of 1933, Act No 94
20 of the Public Acts of 1933, being sections 141 101 to 141 140 of
21 the Michigan Compiled Laws Revenue bonds issued by the author-
22 ity are not a debt of the district or this state A participat-
23 ing municipality may by majority vote pledge its full faith and
24 credit to support the authority s revenue bonds

25 (j) Subject to the limitations in section 11, issue general
26 obligation unlimited tax bonds and authorize and levy taxes
27 necessary to pay the principal of and interest on the bonds

1 (k) Subject to the limitations in section 11 issue general
2 obligation limited tax bonds by resolution of the board without
3 submitting the question to the electors of the participating
4 municipalities The board shall not authorize or levy a tax to
5 pay the principal of or interest on the general obligation
6 limited tax bonds that exceeds the tax levy authorized by a vote
7 of the qualified electors of the district as provided in section
8 13

9 (2) Money for an authority shall be paid to the board and
10 deposited in a fund known as the community swimming pool fund
11 The board shall exclusively control the expenditure of money
12 deposited in the community swimming pool fund

13 Sec 11 (1) An authority shall not borrow money or issue
14 bonds or notes for a sum that together with the total outstand-
15 ing bonded indebtedness of the authority, exceeds 5% of the state
16 equalized valuation of the taxable property within the geograph-
17 ical boundaries of the authority

18 (2) An authority shall not issue general obligation unlim-
19 ited tax bonds unless all of the following conditions are met

20 (a) The board adopts a resolution submitting the question of
21 issuing general obligation unlimited tax bonds to the electors of
22 the participating municipalities residing within the geographical
23 boundaries of the authority

24 (b) The question of issuing general obligation unlimited tax
25 bonds is certified by the board and the election is conducted in
26 the manner provided in section 13 for an election for a tax

1 (c) A majority of the qualified electors voting on the
 2 question approve the issuing of the general obligation unlimited
 3 tax bonds

4 (3) The question of issuing general obligation unlimited tax
 5 bonds under subsection (2) shall be submitted by ballot in sub-
 6 stantially the following term

7 Shall the community swimming pool authority,
 8 formed by the municipalities of _____,
 9 borrow the sum of not to exceed _____
 10 dollars (\$) and issue its
 11 general obligation unlimited tax bonds for all
 12 or a portion of that amount for the purpose of
 13 _____?
 14 Yes [] No []'

15 (4) Refunding bonds or the refunding part of a bond issue is
 16 not within the 5% limitation of subsection (1), but is authorized
 17 in addition to the 5% limitation

18 Sec 13 (1) An authority formed under this act may levy a
 19 tax on all of the taxable property in a participating municipal-
 20 ity located within the district for the purposes of owning or
 21 operating a community swimming pool

22 (2) The tax authorized in this section shall not exceed
 23 1 mill of the state equalized valuation on each dollar of
 24 assessed valuation of taxable property within the limits of each
 25 participating municipality

1 (3) The tax authorized under this section shall not be
2 levied except upon the approval of a majority of the qualified
3 and registered electors of the participating municipalities who
4 reside in the district voting on the tax at an annual or special
5 school election The election may be called by resolution of the
6 board The secretary of the board shall file a copy of the reso-
7 lution of the board calling the election with the clerk of any
8 participating municipality not less than 70 days before the date
9 of the election The resolution calling the election shall con-
10 tain a statement of the proposition to be submitted to the
11 electors All appropriate clerks and all appropriate officials
12 shall take all necessary steps to properly submit the proposition
13 to the electors of the participating municipalities who reside in
14 the district at the election specified in the resolution of the
15 authority The election shall be conducted and canvassed in
16 accordance with the Michigan election law, Act No 116 of the
17 Public Acts of 1954, being sections 168 1 to 168 992 of the
18 Michigan Compiled Laws The results of the election shall be
19 certified to the board promptly after the date of the election
20 No more than 2 elections may be held in a calendar year for
21 approval of the tax authorized under this section The authority
22 shall pay its share of the costs of the election

23 (4) The taxes authorized by this section may be levied at a
24 rate and for a period, not more than 5 years, as determined by
25 the authority in the resolution calling the election and as set
26 forth in the proposition submitted to the electors

1 Sec 15 The tax under section 13 shall be collected and
2 distributed by the local tax collecting units under the general
3 property tax act, Act No 206 of the Public Acts of 1893, being
4 sections 211 1 to 211 157 of the Michigan Compiled Laws, at the
5 same time and in the same manner as taxes levied by the district
6 for school operating purposes

7 Sec 17 (1) A participating municipality in which the tax
8 authorized by section 13 is in effect may withdraw from an
9 authority if all of the following requirements are satisfied

10 (a) Not less than 2 months before the next regularly sched-
11 uled election of the municipality, the legislative body of the
12 municipality adopts a resolution to withdraw from the authority
13 on a date specified in the resolution The date specified shall
14 be not less than 6 months after the next regularly scheduled
15 election of the municipality

16 (b) Notice of an election on the resolution is published in
17 a newspaper of general circulation in the municipality not less
18 than 10 days before the next regularly scheduled election of the
19 municipality following adoption of the resolution

20 (c) The resolution is approved by a majority of the electors
21 of the municipality that reside within the district voting on the
22 resolution at the next regularly scheduled election of the munic-
23 ipality following adoption of the resolution

24 (d) After approval of the resolution by the electors, the
25 clerk of the municipality files with the secretary of state a
26 copy of the official canvass statement and a certified copy of
27 the resolution and files with the board a copy of the official

1 canvass statement and a number of certified copies of the
2 resolution sufficient for distribution to the legislative body of
3 each of the participating municipalities

4 (e) Payment or the provision for payment to the authority or
5 its creditors of all obligations of the municipality seeking to
6 withdraw is made

7 (2) A tax authorized by section 13 before the adoption of
8 the resolution to withdraw shall be levied in the municipality
9 for its original purpose but only for the period of time origi-
10 nally authorized and only so long as the board continues in
11 existence In addition, a municipality that withdraws from an
12 authority shall continue to receive community swimming pool serv-
13 ices so long as the tax authorized to be levied by section 13
14 before the withdrawal of the municipality continues to be levied
15 in the municipality and the community swimming pool remains in
16 operation

17 (3) A participating municipality in which no tax authorized
18 by section 13 is in effect may withdraw from an authority if all
19 of the following requirements are satisfied

20 (a) The legislative body of the municipality adopts a reso-
21 lution to withdraw from the authority on a date specified in the
22 resolution The withdrawal date shall follow the date of the
23 resolution by not less than 1 year

24 (b) The clerk of the municipality files with the secretary
25 of state a certified copy of the resolution and files with the
26 board a number of certified copies of the resolution sufficient

1 for distribution to the legislative bodies of each of the
2 participating municipalities

3 (c) Payment or the provision for payment to the authority or
4 its creditors of all obligations of the municipality seeking to
5 withdraw is made

6 (4) After the withdrawal of a municipality, the articles of
7 incorporation shall be amended to reflect the withdrawal