



HOUSE BILL No. 6031

September 11, 1996, Introduced by Rep. Profit and referred to the Committee on Local Government.

A bill to amend the title and sections 1, 3, 4, 7, 8, and 11 of Act No. 206 of the Public Acts of 1957, entitled as amended

"An act to authorize 2 or more counties, cities, townships and incorporated villages, or any combination thereof, to incorporate an airport authority for the planning, promoting, acquiring, constructing, improving, enlarging, extending, owning, maintaining and operating the landing, navigational and building facilities necessary thereto of 1 or more community airports; to provide for changes in the membership therein; to authorize an authority or the counties, cities, townships and incorporated villages that form an authority to levy taxes for such purposes; to provide for the operation and maintenance and issuing notes therefor; and to authorize condemnation proceedings, "

sections 1, 3, 4, and 8 as amended by Act No. 312 of the Public Acts of 1982 and section 7 as amended by Act No. 182 of the Public Acts of 1983, being sections 259.621, 259.623, 259.624, 259.627, 259.628, and 259.631 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Section 1. The title and sections 1, 3, 4, 7, 8, and 11 of Act No. 206 of the Public Acts of 1957, sections 1, 3, 4, and 8

1 as amended by Act No. 312 of the Public Acts of 1982 and section
 2 7 as amended by Act No. 182 of the Public Acts of 1983, being
 3 sections 259.621, 259.623, 259.624, 259.627, 259.628, and 259.631
 4 of the Michigan Compiled Laws, are amended to read as follows:

5 TITLE

6 An act to authorize 2 or more counties, cities, townships,
 7 ~~and~~ incorporated villages, UNIVERSITIES, COMMUNITY COLLEGES, or
 8 any combination thereof, to incorporate an airport authority for
 9 the planning, promoting, acquiring, constructing, improving,
 10 enlarging, extending, owning, maintaining and operating the land-
 11 ing, navigational and building facilities necessary thereto of 1
 12 or more community airports; to provide for changes in the member-
 13 ship therein; to authorize an authority or the counties, cities,
 14 townships, ~~and~~ incorporated villages, UNIVERSITIES, AND COMMU-
 15 NITY COLLEGES that form an authority to levy taxes for such pur-
 16 poses; to provide for the operation and maintenance and issuing
 17 notes therefor; and to authorize condemnation proceedings.

18 Sec. 1. Any 2 or more ~~counties, cities, incorporated vil-~~
 19 ~~lages, or townships, or any combination thereof~~ ELIGIBLE PUBLIC
 20 ENTITIES, by resolution of their respective ~~legislative~~
 21 GOVERNING bodies, may join to form an airport authority for the
 22 purpose of planning, promoting, acquiring, constructing, improv-
 23 ing, enlarging, extending, owning, maintaining, and operating,
 24 EITHER WITHIN OR OUTSIDE OF THEIR JURISDICTIONAL BOUNDARIES, the
 25 NECESSARY landing, navigational, and building facilities
 26 ~~necessary thereto, either within or without their limits,~~ of 1
 27 or more community airports. A site for the physical facilities

1 of the airport authority shall not be selected without the
2 approval of 2/3 of the total membership of the airport authority
3 board and shall be located within the boundaries of the airport
4 authority.

5 Sec. 3. (1) The resolution creating the airport authority
6 shall designate the ~~counties, cities, incorporated villages, and~~
7 ~~townships~~ ELIGIBLE PUBLIC ENTITIES to be included ~~therein~~ IN
8 THE FORMATION OF THE AUTHORITY and shall set forth the fact that
9 a sum of money not to exceed 1 mill of their assessed valuation
10 as last equalized by the state may be requested and certified by
11 the airport authority board annually for the purpose of planning,
12 promoting, acquiring, constructing, improving, enlarging, extend-
13 ing, owning, maintaining, and operating the necessary landing,
14 navigational, and building facilities of 1 or more community
15 airports. The resolution also shall provide that the requested
16 money or any portion of the requested money may be pledged by the
17 governing body of the airport authority for the payment of reve-
18 nue bonds under THE REVENUE BOND ACT OF 1933, Act No. 94 of the
19 Public Acts of 1933, ~~as amended,~~ being sections 141.101 to
20 ~~141.139~~ 141.140 of the Michigan Compiled Laws. The authority
21 shall be ~~deemed~~ CONSIDERED to be a charter authority within the
22 meaning of section 6 of article ~~9~~ IX of the state constitution
23 of 1963. The resolution may provide that the airport authority
24 shall become operative if a specified number of the proposed
25 number of members GOVERNING bodies approve it. The resolution
26 may ~~fix~~ ESTABLISH a time within which the respective ~~local~~
27 ~~units~~ ELIGIBLE PUBLIC ENTITIES must act in order to be included

1 in the airport authority. The resolution may designate a date
2 for the appointed representatives to convene.

3 (2) Any ~~county, city, incorporated village, or township~~
4 ELIGIBLE PUBLIC ENTITY may subsequently become a member of any
5 airport authority formed under this act upon resolution adopted
6 by the governing body of the ~~municipality~~ ELIGIBLE PUBLIC
7 ENTITY and acceptance by resolution adopted by majority vote of
8 the entire governing board of the airport authority. Any
9 ~~county, city, incorporated village, or township~~ ELIGIBLE PUBLIC
10 ENTITY which is or becomes a member of an airport authority, upon
11 request and upon resolution of its governing body, duly accepted
12 by a 2/3 majority vote of the entire governing board of the air-
13 port authority, may be released from membership in the airport
14 authority. ~~A county, city, incorporated village, or township~~
15 AN ELIGIBLE PUBLIC ENTITY may not be released from membership in
16 ~~any~~ AN airport authority formed under this act until all out-
17 standing obligations of the airport authority that have been
18 incurred after the time of the admission to membership of the
19 ~~county, city, incorporated village, or township~~ ELIGIBLE PUBLIC
20 ENTITY and that part of prior obligations as may be agreed to by
21 the board and the governing body of the ~~county, city, incorpo-~~
22 ~~rated village, or township~~ ELIGIBLE PUBLIC ENTITY have been
23 paid, or adequate provision has been made for the payment.
24 ~~thereof.~~

25 Sec. 4. (1) The ~~legislative~~ GOVERNING bodies of the
26 ~~counties, cities, incorporated villages, and townships~~ ELIGIBLE
27 PUBLIC ENTITIES creating the airport authority may raise by an ad

1 valorem property tax, to be levied on the taxable property within
2 their respective jurisdictions, a sum of money to be used to
3 assist in the planning, promoting, acquiring, constructing,
4 improving, enlarging, extending, owning, maintaining, and operat-
5 ing the NECESSARY landing, navigational, and building facilities
6 ~~necessary thereto~~ of the community airport authorized by this
7 act. The tax shall not exceed 1 mill on each dollar of the state
8 equalized valuation of each ~~county, city, incorporated village,~~
9 ~~or township~~ ELIGIBLE PUBLIC ENTITY. In computing the total tax
10 to be levied, the assessed valuation of any ~~unit of government~~
11 ELIGIBLE PUBLIC ENTITY joining the airport authority shall not be
12 used more than once.

13 (2) The ad valorem property tax authorized by this section
14 shall not be levied unless approved by the majority of the quali-
15 fied electors of the ~~member local unit~~ ELIGIBLE PUBLIC ENTITY
16 voting ~~thereon~~ FOR THE AD VALOREM PROPERTY TAX. A tax approved
17 pursuant to this subsection may be levied until the ~~local unit~~
18 ELIGIBLE PUBLIC ENTITY is released from membership in the author-
19 ity or until the authority is dissolved, whichever occurs first.
20 However, this subsection shall not be considered to prohibit the
21 use of revenues from ad valorem property tax levies of mills
22 within the member local unit's charter or statutory limitation to
23 pay an appropriation required by the airport authority.

24 (3) NOTWITHSTANDING ANY OTHER PROVISION IN THIS ACT, A UNI-
25 VERSITY THAT PARTICIPATES IN THE CREATION OF AN AIRPORT AUTHORITY
26 IS EXEMPT FROM THE REQUIREMENTS OF THIS ACT RELATED TO THE
27 LEVYING OF AN AD VALOREM PROPERTY TAX.

1 Sec. 7. (1) Not later than April 1 of each year the airport
2 authority board shall prepare a budget containing an itemized
3 statement of the estimated current expenses and the expenses for
4 capital outlay, including the amount necessary to pay the princi-
5 pal and interest of any outstanding bonds or other obligations of
6 the authority maturing during the ensuing fiscal year or which
7 have previously matured and are unpaid, and an estimate of the
8 estimated revenue of the airport authority from all sources for
9 the ensuing fiscal year. Airport authorities consisting only
10 of 2 or more counties shall have until September 1 of each year
11 to prepare this budget. The board shall adopt ~~such~~ A budget as
12 ~~shall be deemed~~ IS CONSIDERED necessary and shall ascertain
13 what appropriations are required from the several ~~counties,~~
14 ~~cities, townships, and villages~~ ELIGIBLE PUBLIC ENTITIES to meet
15 their respective shares of the amount of the budget in excess of
16 the estimated revenues.

17 (2) In determining the fair and equitable share of each
18 county, city, ~~and~~ township, AND COMMUNITY COLLEGE, the board
19 shall establish the ratio that the state equalized valuation of
20 each for the year in which the appropriation is required bears to
21 the total state equalized valuation for the year in which the
22 appropriation is required of all the counties, cities, ~~and~~
23 townships, AND COMMUNITY COLLEGES included in the airport author-
24 ity and use the applicable ratio in determining the amount of
25 appropriation required from a county, city, ~~or~~ township, OR
26 COMMUNITY COLLEGE. Any village included in the airport authority
27 shall appropriate its proportionate share of the amount

1 apportioned to the township in which it is located, and in
2 determining the division between the township and village, the
3 amount of their respective state equalized valuations for the
4 year the appropriation is required shall be used as the basis for
5 the determination. The board shall certify to each participating
6 county, city, township, ~~and~~ village, AND COMMUNITY COLLEGE the
7 amount to be raised by them, and the respective counties, cities,
8 townships, ~~and~~ villages, AND COMMUNITY COLLEGES shall include
9 such amounts in their next ensuing budgets and shall pay the
10 amounts so certified from any funds they have available or from
11 the proceeds of a tax which they are authorized to levy, in an
12 amount sufficient ~~therefor~~ TO MEET THE AMOUNT, but not
13 exceeding 1 mill. Payment of sums so certified shall be due and
14 payable to the airport authority 120 days subsequent to the date
15 upon which local taxes become due and payable in counties,
16 cities, villages, ~~and~~ townships, AND COMMUNITY COLLEGES partic-
17 ipating in the airport authority. Each county, city, township,
18 ~~and~~ village, AND COMMUNITY COLLEGE shall be liable for the
19 amount so certified.

20 (3) The board shall also render to each participating
21 ~~county, city, township, and village~~ ELIGIBLE PUBLIC ENTITY, on
22 each July 1, during the operation of the airport a certified
23 report of the operation of the airport. Each report shall state
24 the condition of the finances, the amount of money expended, and
25 the money received from all sources. The board shall also file a
26 copy of the report with the department of treasury together with
27 any other information the department of treasury may require.

1 Within 30 days after the formation of any new airport authority,
2 and annually on July 1 thereafter, the airport authority board
3 shall file with the secretary of state a report as the secretary
4 of state may require, showing the date of formation, the names of
5 the member communities, and any other information as the report
6 may call for.

7 Sec. 8. For the purpose of acquiring, purchasing, con-
8 structing, improving, enlarging, or repairing such community air-
9 ports, the airport authority board may issue self-liquidating
10 bonds of the authority in accordance with THE REVENUE BOND ACT OF
11 1933, Act No. 94 of the Public Acts of 1933, ~~as amended,~~ being
12 sections 141.101 to ~~141.139~~ 141.140 of the Michigan Compiled
13 Laws. The bonds shall not impose any liability upon the
14 ~~counties, cities, villages, and townships~~ ELIGIBLE PUBLIC
15 ENTITIES included in the airport authority, other than on the
16 amounts ~~which~~ THAT are assessed against the respective
17 ~~municipalities~~ ELIGIBLE PUBLIC ENTITIES as provided for by this
18 act, which amounts or any portion ~~thereof~~ OF THE AMOUNTS may be
19 pledged by the governing body of the airport authority for the
20 payment of the bonds for a period not exceeding 40 years. The
21 amount ~~herein~~ required to be paid by any ~~municipality~~
22 ELIGIBLE PUBLIC ENTITY under ~~the provisions of~~ this act shall
23 be considered to be a part of the revenues of the airport author-
24 ity as that term is defined in section 3(f) of Act No. 94 of the
25 Public Acts of 1933, ~~as amended,~~ being section 141.103 of the
26 Michigan Compiled Laws. The bonds shall be sold for not less
27 than par and shall bear interest at a rate not in excess of the

1 maximum rate permitted under section 12 of Act No. 94 of the
2 Public Acts of 1933, ~~as amended,~~ being section 141.112 of the
3 Michigan Compiled Laws. If a petition for referendum is filed
4 with the secretary of the airport authority in accordance with
5 the provisions of section 33 of Act No. 94 of the Public Acts of
6 1933, ~~as amended,~~ being section 141.133 of the Michigan
7 Compiled Laws, the governing body of the airport authority shall
8 adopt a resolution establishing the date of the election, which
9 shall be not less than 60 days nor more than 90 days after the
10 adoption of the resolution. The secretary of the authority,
11 within 5 days after the adoption of the resolution, shall trans-
12 mit a certified copy of the resolution to the governing body of
13 each member community AND COMMUNITY COLLEGE. The governing
14 bodies of the member communities AND COMMUNITY COLLEGES immedi-
15 ately shall provide for an election in accordance with the reso-
16 lution passed by the authority, in which the question of issuing
17 the bonds and pledging the authority's revenues, including all or
18 any part of the amounts assessed against the respective municipi-
19 palities AND COMMUNITY COLLEGES as provided for by this act,
20 shall be submitted. The ballots for use in the election shall be
21 provided by the authority and the election shall be conducted in
22 the respective communities AND COMMUNITY COLLEGES except that if
23 any part or all of a village belonging to an airport authority is
24 located in a township belonging to the same authority, the town-
25 ship election shall include that part of the village located in
26 it and the village shall not be required to hold an election
27 except in that portion of the village not located in a township

1 belonging to the authority. The governing bodies of the member
2 communities AND COMMUNITY COLLEGES shall act as a board of can-
3 vassers and shall certify the results of the election to the air-
4 port authority board, within 5 days after the date of the elec-
5 tion, on forms provided by the airport authority. The airport
6 authority board shall compile and tabulate the vote as required
7 from the member communities AND COMMUNITY COLLEGES and certify
8 the result of the election by resolution upon the records of the
9 authority. A majority of the total valid votes cast at such an
10 election voting "yes" on the question submitted shall constitute
11 an approval of the issuance of the bonds.

12 Sec. 11. As used in this act: ~~— "community"~~

13 (A) "COMMUNITY airport" means any location, either on land
14 or water, which is used for the landing or take-off of aircraft,
15 which provides facilities for the shelter, supply, or care of
16 aircraft, or for receiving or discharging passengers or cargo,
17 and all appurtenant areas used or suitable for airport buildings
18 or other airport facilities, INCLUDING all appurtenant
19 rights-of-way and runway clear zones as designated by the civil
20 aeronautics authority. ~~—, whether heretofore or hereafter~~
21 ~~established.~~

22 (B) "ELIGIBLE PUBLIC ENTITY" MEANS A COUNTY, CITY, VILLAGE,
23 TOWNSHIP, OR A STATE COLLEGE OR UNIVERSITY, OR ANY COMBINATION OF
24 THESE ENTITIES.