

SENATE BILL NO. 832

December 4, 1997, Introduced by Senators BENNETT and GEAKE
and referred to the Committee on Transportation and
Tourism.

A bill to amend 1987 PA 248, entitled
"Airport parking tax act,"
by amending the title and sections 2, 5, 6, 7, and 11 (MCL
207.372, 207.375, 207.376, 207.377, and 207.381) and by adding
sections 6a and 6b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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TITLE

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An act to impose a state excise tax on persons engaged in

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the business of providing an airport parking facility; to provide

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for the levy, assessment, and collection of the tax; to provide

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for the disposition of the collections from the tax; to create

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the ~~airport parking~~ QUALIFIED COUNTY AIRPORT IMPROVEMENT fund;

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to authorize the distributions from the fund; to authorize the

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use of distributions from the fund as security for bonds and

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other obligations; to prescribe certain other matters relating to

1 bonds and other obligations; TO CREATE THE QUALIFIED COUNTY
2 AIRPORT IMPROVEMENT BOARD AND TO PRESCRIBE ITS POWERS AND DUTIES;
3 to prescribe the powers and duties of certain state officers; and
4 to provide for an appropriation.

5 Sec. 2. As used in this act:

6 (a) "Airport parking facility" means an area, space, garage,
7 parking structure, or other facility upon or in which motor vehi-
8 cles are parked, stored, or housed for a consideration and that
9 is located within the boundaries or within 5 miles of the bounda-
10 ries of a regional airport facility. However, an airport parking
11 facility does not include publicly owned metered spaces or a
12 facility that is leased or rented exclusively for the use of
13 employees of employers located within the boundaries or within 5
14 miles of the boundaries of a regional airport facility.

15 (b) "BOARD" MEANS THE QUALIFIED COUNTY AIRPORT IMPROVEMENT
16 BOARD CREATED IN SECTION 6A.

17 (c) ~~(b)~~ "Commissioner" means the state commissioner of
18 revenue.

19 (d) ~~(c)~~ "Fund" means the ~~airport parking~~ QUALIFIED
20 COUNTY AIRPORT IMPROVEMENT fund created in section 6.

21 (e) ~~(d)~~ "Motor vehicle" means that term as defined in
22 section 33 of the Michigan vehicle code, ~~Act No. 300 of the~~
23 ~~Public Acts of 1949, being section 257.33 of the Michigan~~
24 ~~Compiled Laws~~ 1949 PA 300, MCL 257.33, but does not include a
25 vehicle used solely in support of aircraft or airport
26 operations.

1 (F) ~~(e)~~ "Operator" means a person engaged in the business
2 of controlling or operating an airport parking facility.

3 (G) ~~(f)~~ "Person" means a natural person, partnership,
4 fiduciary, association, corporation, or other legal entity.

5 (H) ~~(g)~~ "Qualified county" means a county that provides
6 public services to a regional airport facility.

7 (I) ~~(h)~~ "Regional airport facility" means an airport that
8 services 4,000,000 or more enplanements annually.

9 (J) ~~(i)~~ "Transaction" means the parking, storing, housing,
10 or keeping of a motor vehicle for consideration.

11 Sec. 5. (1) An excise tax under this act shall be collected
12 at the same time and in the same manner as the use tax pursuant
13 to the use tax act, ~~Act No. 94 of the Public Acts of 1937, being~~
14 ~~sections 205.91 to 205.111 of the Michigan Compiled Laws 1937 PA~~
15 94, MCL 205.91 TO 205.111.

16 (2) The tax shall be administered by the revenue division of
17 the department of treasury ~~pursuant to Act No. 122 of the Public~~
18 ~~Acts of 1941, being sections 205.1 to 205.31 of the Michigan~~
19 ~~Compiled Laws~~ UNDER 1941 PA 122, MCL 205.1 TO 205.31, AND THE
20 BOARD. THE BOARD SHALL IMMEDIATELY IMPLEMENT AN ADMINISTRATIVE
21 STRUCTURE FOR THIS ACT AND SHALL RECEIVE NOT TO EXCEED 1/2 OF 1%
22 OF THE REVENUE RECEIVED UNDER THIS ACT AS ADMINISTRATION
23 EXPENSES.

24 Sec. 6. (1) ~~The~~ THROUGH DECEMBER 31, 1997, THE collec-
25 tions from the tax imposed under section ~~3(1)~~ 3 shall be depos-
26 ited in the state treasury to the credit of the airport parking
27 fund which is hereby created within the state treasury.

1 (2) BEGINNING JULY 1, 1998, COLLECTIONS FROM THE TAX IMPOSED
2 UNDER SECTION 3 SHALL BE DEPOSITED IN THE STATE TREASURY TO THE
3 CREDIT OF THE QUALIFIED COUNTY AIRPORT IMPROVEMENT FUND HEREBY
4 CREATED IN THE STATE TREASURY. MONEY DEPOSITED IN THE FUND SHALL
5 NOT LAPSE AT THE END OF A FISCAL YEAR BUT SHALL REMAIN IN THE
6 FUND. THIS SUBSECTION APPLIES UNTIL JANUARY 1, 2013.

7 SEC. 6A. (1) THE QUALIFIED COUNTY AIRPORT IMPROVEMENT BOARD
8 IS CREATED. THE BOARD SHALL CONSIST OF THE FOLLOWING MEMBERS:

9 (A) ONE MEMBER FROM EACH CITY OR TOWNSHIP IN WHICH AN AIR-
10 PORT IS LOCATED WITHIN THE QUALIFIED COUNTY APPOINTED BY THE GOV-
11 ERNING BODY OF THE CITY OR THE TOWNSHIP BOARD.

12 (B) ONE MEMBER FROM EACH CITY OR TOWNSHIP IN AN ADJOINING
13 COUNTY TO THE QUALIFIED COUNTY THAT HAS LOCATED OR PARTIALLY
14 LOCATED WITHIN IT AN AIRPORT OWNED BY THE QUALIFIED COUNTY
15 APPOINTED BY THE GOVERNING BODY OF THE CITY OR THE TOWNSHIP
16 BOARD.

17 (C) ONE MEMBER REPRESENTING A TOWNSHIP DIRECTLY SOUTH OF A
18 REGIONAL AIRPORT FACILITY THAT IS IN A DIRECT FLIGHT PATTERN TO
19 OR FROM THE REGIONAL AIRPORT FACILITY APPOINTED BY THE TOWNSHIP
20 BOARD.

21 (D) TWO MEMBERS WHO ARE RESIDENTS OF THE QUALIFIED COUNTY
22 AND WHO RESIDE WITHIN 5 MILES OF A REGIONAL AIRPORT FACILITY
23 APPOINTED BY THE REGIONAL PLANNING ORGANIZATIONS.

24 (2) THE BOARD SHALL PROVIDE FOR THE DISTRIBUTION OF FUNDS
25 FROM THE QUALIFIED COUNTY AIRPORT IMPROVEMENT FUND. THE BOARD
26 SHALL MEET NOT LESS THAN ONCE EACH CALENDAR QUARTER. THE
27 BUSINESS WHICH THE BOARD MAY PERFORM SHALL BE CONDUCTED AT A

1 PUBLIC MEETING OF THE COMMISSION HELD IN COMPLIANCE WITH THE OPEN
2 MEETINGS ACT, 1976 PA 267, MCL 15.261 TO 15.275. PUBLIC NOTICE
3 OF THE TIME, DATE, AND PLACE OF THE MEETING SHALL BE GIVEN IN THE
4 MANNER REQUIRED BY THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261
5 TO 15.275. A WRITING PREPARED, OWNED, USED, IN THE POSSESSION
6 OF, OR RETAINED BY THE BOARD IN THE PERFORMANCE OF AN OFFICIAL
7 FUNCTION SHALL BE MADE AVAILABLE TO THE PUBLIC IN COMPLIANCE WITH
8 THE FREEDOM OF INFORMATION ACT, 1976 PA 442, MCL 15.231 TO
9 15.246.

10 SEC. 6B. AFTER DEDUCTION OF ADMINISTRATION EXPENSES AND THE
11 PAYMENTS MADE UNDER SECTION 7, THE BALANCE OF THE MONEY SHALL BE
12 APPROPRIATED FROM THE FUND BY THE BOARD FOR 1 OR MORE OF THE FOL-
13 LOWING PURPOSES:

14 (A) NOISE MITIGATION IN AREAS SURROUNDING THE SERVICE AREA
15 OF AN AIRPORT.

16 (B) TO REIMBURSE ALL TAXING AUTHORITIES FOR THE REDUCTION IN
17 PROPERTY TAX BASE DUE TO THE ACQUISITION OF PROPERTIES OUTSIDE OF
18 THE BOUNDARIES OF THE AIRPORT FACILITY BY A REGIONAL AIRPORT
19 FACILITY OR QUALIFIED COUNTY.

20 (C) ENVIRONMENTAL CONCERNS SUCH AS EXHAUST FUMES FROM
21 AIRPLANES.

22 (D) ANY OTHER NUISANCE MITIGATION DETERMINED APPROPRIATE BY
23 THE BOARD AND SPECIFICALLY RELATED TO AN AIRPORT FACILITY IN A
24 QUALIFIED COUNTY.

25 Sec. 7. ~~(1) Beginning January 1, 1988, through~~
26 ~~December 31, 1988, on the first day of each month, the state~~
27 ~~treasurer shall make a distribution from the fund to each~~

~~1 qualified county in an amount equal to the total amount on
2 deposit in the fund multiplied by a fraction the numerator of
3 which is the population of that qualified county during the imme-
4 diately preceding year and the denominator of which is the total
5 population of all qualified counties during the immediately pre-
6 ceding year.~~

7 (1) ~~(2)~~ Beginning January 1, 1989, on the first day of
8 each month, the state treasurer shall make a distribution from
9 the fund to each city within which a regional airport facility is
10 wholly located in an amount equal to 20% of the ~~total amount on~~
11 ~~deposit in~~ REVENUE COLLECTED EACH MONTH FOR the fund minus the
12 amount of revenue generated from any airport parking facility
13 located within the boundaries of the regional airport facility
14 divided by the total number of cities within which a regional
15 airport facility is wholly located. ~~Any surplus funds remaining~~
16 ~~after this distribution shall be distributed in accordance with~~
17 ~~(1) above. After the distribution is made under subsection (1),~~
18 ~~on the first day of each month, the state treasurer shall make a~~
19 ~~distribution from the fund to each qualified county in an amount~~
20 ~~equal to the total amount on deposit in the fund after the dis-~~
21 ~~tribution under subsection (1).~~

22 (2) ~~(3)~~ A distribution made under subsection (1) ~~or (2)~~
23 shall be deposited in the general fund of the city. ~~or qualified~~
24 ~~county.~~

25 (3) ~~(4)~~ The distribution provided by subsection ~~(2)~~ (1)
26 shall not be made if all taxing units are authorized by law to
27 impose taxes and the collection is made of taxes imposed under

1 ~~Act No. 189 of the Public Acts of 1953, being sections 211.181~~
2 ~~to 211.182 of the Michigan Compiled Laws 1953 PA 189, MCL~~
3 ~~211.181 TO 211.182, on concessions at a regional airport~~
4 ~~facility.~~

5 Sec. 11. There is appropriated from the ~~airport parking~~
6 fund an amount sufficient to make the distributions under section
7 7 AND SECTION 6B.