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EXPAND LOCAL SWIMMING POOL AUTHORITIES

House Bill 4567

Sponsor: Rep. Gerald Van Woerkom
**Committee: Local Government and Urban
Policy**

Complete to 4-28-99

A SUMMARY OF HOUSE BILL 4567 AS INTRODUCED 4-27-99

House Bill 4567 would amend the act that provides for the creation of community swimming pool authorities and which allows the authorities to levy, collect, and distribute a tax.

Under the current law, "district" is defined to mean a school district that serves a municipality whose population is not less than 15,000 and whose territory is located in not less than two counties, each of which has at least 15 percent of the municipality's population.

House Bill 4567 would expand the definition of "district" to mean either the current definition (that is, a school district that serves a municipality whose population is not less than 15,000 and whose territory is located in not less than two counties, each of which has at least 15 percent of the municipality's population), and to add, or the school district serves two or more municipalities, and the territory of the school district is located in a single county whose population is not less than 150,000 or more than 200,000.

[In 1994, the Michigan legislature adopted Public Act 425 which permitted two or more municipalities to establish a community swimming pool authority in situations where all or part of the territory of each municipality was located within a single school district that served a municipality with a population of at least 15,000, and whose territory was located in at least two counties, each of which had at least 15 percent of the municipality's population. According to the analysis dated 1-12-95 and published by the House Legislative Analysis Section, these criteria were understood to describe the Holland School District.

Under Public Act 425 of 1994, the legislative body of each municipality must adopt a resolution to establish participation in the authority, and money for the authority is deposited in a Community Swimming Pool Fund, controlled by the authority's board of directors. The Community Swimming Pool Authority created by the law has the powers necessary to own or operate a community swimming pool. Its powers include those generally granted to public authorities, including the power to purchase and lease real and personal property inside or outside the district's boundaries, to pay or pledge payment from authority revenue, to borrow money and issue notes, and to issue negotiable revenue bonds and general obligation unlimited tax bonds and

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to pay for them by levying taxes. Under the law, an authority can levy up to one mill of property tax on all of the taxable property within the boundaries of the authority (that is to say, the Holland School District) for the purpose of owning or operating a community swimming pool. The tax levy must be approved by the voters, and can be for a period up to five years. The law also includes limitations that apply to a community swimming pool authority's power to borrow money, issue negotiable revenue bonds and general obligation tax bonds, and to levy taxes, including but not limited to the provision that an authority cannot borrow money or issue bonds or notes for a sum that, when added to its total outstanding bonded indebtedness, exceeds five percent of the SEV of the taxable property within its boundaries.]

MCL 123.1061

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.