

# HOUSE BILL No. 5841

April 9, 2002, Introduced by Reps. Hansen and Lemmons and referred to the Committee on Tax Policy.

A bill to amend 1963 PA 55, entitled

"An act to provide for the incorporation of public authorities to acquire, own, and operate or cause to be operated mass transportation systems; to require the state to guarantee payment of certain claims against certain transportation authorities and to give the state a lien in satisfaction of payment; to prescribe the rights, powers, and duties of those public authorities; to provide for the issuance of bonds; to provide for the levy and collection of certain taxes; and to authorize contracts between those authorities and either public or private corporations to carry out the operation of those mass transportation systems,"

by amending section 7 (MCL 124.357), as amended by 1983 PA 137.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 7. (1) For the purpose of acquiring, improving,  
2 enlarging, or extending a mass transportation system, the author-  
3 ity may issue self-liquidating revenue bonds ~~pursuant to~~ UNDER  
4 the revenue bond act of 1933, ~~Act No. 94 of the Public Acts of~~  
5 ~~1933, as amended, being sections 141.101 to 141.139 of the~~  
6 ~~Michigan Compiled Laws~~ 1933 PA 94, MCL 141.101 TO 141.140, or

1 any other act providing for the issuance of self-liquidating  
2 revenue bonds. The bonds shall not be a general obligation of  
3 the authority, but shall be payable solely from the revenue of  
4 the mass transportation system. HOWEVER, IF THE AUTHORITY ISSUES  
5 SELF-LIQUIDATING REVENUE BONDS WITH A PLEDGE OF THE FULL FAITH  
6 AND CREDIT OF THE MUNICIPALITY, THOSE REVENUE BONDS ARE SUBJECT  
7 TO THE REVISED MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO  
8 141.2821.

9 (2) An authority formed under this act may levy a tax on all  
10 of the taxable property within the political subdivisions ~~which~~  
11 THAT comprise the authority for public transportation purposes as  
12 authorized by this act.

13 (3) The tax authorized in subsection (2) shall not exceed  
14 5 mills of the state equalized valuation on each dollar of  
15 assessed valuation in the political subdivisions ~~which~~ THAT  
16 comprise the applicable authority.

17 (4) The tax authorized under subsection (2) shall not be  
18 levied except upon the approval of a majority of the registered  
19 electors residing in the political subdivisions ~~which~~ THAT com-  
20 prise the authority affected and qualified to vote and voting on  
21 the tax at a general or special election. The election may be  
22 called by resolution of the board of the authority. The record-  
23 ing officer of the authority shall file a copy of the resolution  
24 of the board calling the election with the clerk of each affected  
25 county, city, or township not less than 60 days before the date  
26 of the election. The resolution calling the election shall  
27 contain a statement of the proposition to be submitted to the

1 electors. Each county, city, and township clerk and all other  
2 county, city, and township officials shall undertake those steps  
3 to properly submit the proposition to the electors of the county,  
4 city, and township at the election specified in the resolutions  
5 of the authority. The election shall be conducted and canvassed  
6 in accordance with the Michigan election law, ~~Act No. 116 of the~~  
7 ~~Public Acts of 1954, being sections 168.1 to 168.992 of the~~  
8 ~~Michigan Compiled Laws~~ 1954 PA 116, MCL 168.1 TO 168.992, except  
9 that if the authority is located in more than 1 county, the elec-  
10 tion shall be canvassed by the state board of canvassers. The  
11 results of the election shall be certified to the board of the  
12 authority promptly after the date of the election. The authority  
13 shall not call more than 1 election within a calendar year  
14 ~~pursuant to~~ UNDER this section for the approval of the tax  
15 authorized by subsection (2) without the approval of the legisla-  
16 tive bodies of a majority of the member political subdivisions of  
17 the authority. If the election is a special election, the  
18 authority in which the election is held shall pay the costs of  
19 the election. If the election is a general election, the author-  
20 ity in which the election is held shall pay the increased costs  
21 of the election due to the placement of the proposition on the  
22 ballot by the authority or an amount ~~as~~ negotiated between the  
23 authority and the appropriate political subdivisions.

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

1       (6) The tax rate authorized by this section shall be levied  
2 and collected as are all ad valorem property taxes in ~~the~~ THIS  
3 state and the recording officer of the authority shall at the  
4 appropriate times certify to the proper tax assessing or collect-  
5 ing officers of each tax collecting county, city, and township  
6 the amount of taxes to be levied and collected each year by each  
7 county, city, and township. The board of the authority shall  
8 determine on which tax roll, if there ~~be~~ IS more than 1, of the  
9 county, city, or township that the taxes authorized by this sec-  
10 tion shall be collected. ~~It shall be the duty of each~~ EACH tax  
11 assessing and collecting officer and each county treasurer ~~to~~  
12 SHALL levy and collect the taxes certified by the authority and  
13 ~~to~~ pay the ~~same~~ TAXES to the authority by the time provided  
14 in section 43 of the general property tax act, ~~Act No. 206 of~~  
15 ~~the Public Acts of 1893, being section 211.43 of the Michigan~~  
16 ~~Compiled Laws~~ 1893 PA 206, MCL 211.43. The tax rate authorized  
17 by this section may be first levied by the authority as a part of  
18 the first tax roll of the appropriate counties, cities, and town-  
19 ships occurring after the election described in subsection (4).  
20 The tax may be levied and collected on the June or December tax  
21 roll ~~next~~ IMMEDIATELY following the date of election, if the  
22 tax is certified to the proper tax assessing officials not later  
23 than May 15 or November 15, respectively, of the year in which  
24 the election is held.