

HOUSE BILL No. 5020

August 13, 2003, Introduced by Reps. Sheen, Newell, Kooiman, Palmer, Garfield, Stakoe, Hummel, Milosch, Hoogendyk, Ward, Condino, Farrah, O'Neil, Huizenga, Richardville and Hune 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 2002 PA 337.

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
3 authority may issue self-liquidating revenue bonds under the
4 revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140, or
5 any other act providing for the issuance of self-liquidating
6 revenue bonds. The bonds shall not be a general obligation of
7 the authority, but shall be payable solely from the revenue of

1 the mass transportation system. However, if the authority issues
2 self-liquidating revenue bonds with a pledge of the full faith
3 and credit of the municipality, those revenue bonds are subject
4 to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to
5 141.2821.

6 (2) An authority formed under this act may levy a tax on all
7 of the taxable property within the political subdivisions that
8 comprise the authority for public transportation purposes as
9 authorized by this act.

10 (3) The tax authorized in subsection (2) shall not exceed
11 5 mills of the state equalized valuation on each dollar of
12 assessed valuation in the political subdivisions that comprise
13 the applicable authority.

14 (4) The tax authorized under subsection (2) shall not be
15 levied except upon the approval of a majority of the registered
16 electors residing in the political subdivisions that comprise the
17 authority affected and qualified to vote and voting on the tax at
18 a general or special election. The election may be called by
19 resolution of the board of the authority. The recording officer
20 of the authority shall file a copy of the resolution of the board
21 calling the election with the clerk of each affected county,
22 city, or township not less than 60 days before the date of the
23 election. The resolution calling the election shall contain a
24 statement of the proposition to be submitted to the electors.
25 Each county, city, and township clerk and all other county, city,
26 and township officials shall undertake those steps to properly
27 submit the proposition to the electors of the county, city, and

1 township at the election specified in the resolutions of the
2 authority. The election shall be conducted and canvassed in
3 accordance with the Michigan election law, 1954 PA 116, MCL 168.1
4 to 168.992, except that if the authority is located in more than
5 1 county, the election shall be canvassed by the state board of
6 canvassers. The results of the election shall be certified to
7 the board of the authority promptly after the date of the
8 election. The authority shall not call more than 1 election
9 within a calendar year under this section for the approval of the
10 tax authorized by subsection (2) without the approval of the
11 legislative bodies of a majority of the member political
12 subdivisions of the authority. If the election is a special
13 election, the authority in which the election is held shall pay
14 the costs of the election. If the election is a general
15 election, the authority in which the election is held shall pay
16 the increased costs of the election due to the placement of the
17 proposition on the ballot by the authority or an amount
18 negotiated between the authority and the appropriate political
19 subdivisions.

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

24 (6) The tax rate authorized by this section shall be levied
25 and collected as are all ad valorem property taxes in this state
26 and the recording officer of the authority shall at the
27 appropriate times certify to the proper tax assessing or

1 collecting officers of each tax collecting county, city, and
2 township the amount of taxes to be levied and collected each year
3 by each county, city, and township. The board of the authority
4 shall determine on which tax roll, if there is more than 1, of
5 the county, city, or township that the taxes authorized by this
6 section shall be collected. Each tax assessing and collecting
7 officer and each county treasurer shall levy and collect the
8 taxes certified by the authority and pay the taxes to the
9 authority ~~by the time~~ **as** provided in section 43 of the general
10 property tax act, 1893 PA 206, MCL 211.43. The tax rate
11 authorized by this section may be first levied by the authority
12 as a part of the first tax roll of the appropriate counties,
13 cities, and townships occurring after the election described in
14 subsection (4). ~~The~~ **Before January 1, 2005, the** tax may be
15 levied and collected on the ~~June~~ **July** or December tax roll
16 immediately following the date of election, if the tax is
17 certified to the proper tax assessing officials not later than
18 May 15 or November 15, respectively, of the year in which the
19 election is held. **After December 31, 2004, the tax may be levied**
20 **and collected on the July tax roll following the date of**
21 **election, if the tax is certified to the property tax assessing**
22 **officials not later than May 15 of the year in which the election**
23 **is held.**

24 Enacting section 1. This amendatory act does not take
25 effect unless Senate Bill No. _____ or House Bill No. 5010
26 (request no. 02479'03) of the 92nd Legislature is enacted into
27 law.