

Act No. 135
Public Acts of 2003
Approved by the Governor
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**STATE OF MICHIGAN
92ND LEGISLATURE
REGULAR SESSION OF 2003**

Introduced by Reps. Ward, Hune and DeRoche

ENROLLED HOUSE BILL No. 4146

AN ACT to amend 2000 PA 321, entitled "An act to provide for the establishment of recreational authorities; to provide powers and duties of an authority; to authorize the assessment of a fee, the levy of a property tax, and the issuance of bonds and notes by an authority; and to provide for the powers and duties of certain government officials," by amending sections 3, 5, 11, 21, and 23 (MCL 123.1133, 123.1135, 123.1141, 123.1151, and 123.1153), section 21 as amended by 2002 PA 233.

The People of the State of Michigan enact:

Sec. 3. As used in this act:

- (a) "Articles" means the articles of incorporation of an authority.
- (b) "Authority" means a recreational authority established under section 5.
- (c) "Board" means the board of directors of the authority.
- (d) "District" means a portion of a municipality having boundaries coterminous with those of a precinct used for general elections.
- (e) "Electors of the authority" means the qualified and registered electors of the participating municipalities who reside within the territory of the authority.
- (f) "Largest county" means, of those counties in which a participating municipality is located, the county having the greatest population.
- (g) "Municipality" means a city, county, village, or township.
- (h) "Park" means an area of land or water, or both, dedicated to 1 or more of the following uses:
 - (i) Recreational purposes, including, but not limited to, landscaped tracts; picnic grounds; playgrounds; athletic fields; camps; campgrounds; zoological and botanical gardens; living historical farms; boating, hunting, fishing, and birding areas; swimming areas; and foot, bicycle, and bridle paths.
 - (ii) Open or scenic space.
 - (iii) Environmental, conservation, nature, or wildlife areas.
- (i) "Participating municipality" means a municipality or district that is named in articles of incorporation or proposed articles of incorporation as joining in the original establishment of an authority, or a municipality or district that joins an existing authority and is added to the articles of incorporation, and that has not withdrawn from the authority.
- (j) "Public historic farm" means a parcel of public land and its buildings that are accessible to the public, and provides, but is not limited to, agricultural and historical programs, farming activities and animal husbandry, community recreation activities and events, programs held in common areas, meeting rooms, and community gardens, and access to surrounding parkland.
- (k) "Swimming pool" includes equipment, structures, areas, and enclosures intended for the use of individuals using or operating a swimming pool, such as equipment, dressing, locker, shower, and toilet rooms.

(l) "Territory of the authority" means the combined territory of the participating municipalities that is served by an authority.

Sec. 5. (1) Two or more municipalities or districts may establish a recreational authority. A recreational authority is an authority under section 6 of article IX of the state constitution of 1963.

(2) To initiate the establishment of an authority, articles of incorporation shall be prepared. The articles of incorporation shall include all of the following:

- (a) The name of the authority.
- (b) The names of the participating municipalities.
- (c) A description of the territory of the authority.

(d) The size of the board of the authority, which shall be comprised of an odd number of members; the qualifications, method of selection, and terms of office of board members; and the filling of vacancies in the office of board member. If board members are elected in at-large elections by the qualified and registered electors of the participating municipalities, voting collectively, the election of board members shall be conducted pursuant to the same procedures that govern an election for a tax under sections 13 to 17.

(e) The purposes for which the authority is established, which shall be the acquisition, construction, operation, maintenance, or improvement of 1 or more of the following:

- (i) A public swimming pool.
- (ii) A public recreation center.
- (iii) A public auditorium.
- (iv) A public conference center.
- (v) A public park.
- (vi) A public museum.
- (vii) A public historic farm.

(f) The procedure and requirements for a municipality or district to become a participating municipality in, and for a participating municipality to withdraw from, an existing authority or to join in the original formation of an authority. For a municipality or district to become a participating municipality in an existing authority or to join in the original formation of an authority, a majority of the electors of the municipality or district proposed to be included in the territory of the authority and voting on the question shall approve a tax that the authority has been authorized to levy by a vote of the electors of the authority under section 11. A municipality or district shall not withdraw from an authority during the period for which the authority has been authorized to levy a tax by the electors of the authority.

(g) Any other matters considered advisable.

(3) The articles shall be adopted and may be amended by an affirmative vote of a majority of the members serving on the legislative body of each participating municipality. If a participating municipality is a district, the articles shall be adopted and may be amended by an affirmative vote of a majority of the members serving on the legislative body of the entire municipality. Unless the articles provide otherwise, the requirements of this subsection do not apply to an amendment to the articles to allow a municipality or district to become a participating municipality in, or to allow a participating municipality to withdraw from, an existing authority.

(4) Before the articles or amendments to the articles are adopted, the articles or amendments to the articles shall be published not less than once in a newspaper generally circulated within the participating municipalities. The adoption of articles or amendments to the articles by a municipality or district shall be evidenced by an endorsement on the articles or amendments by the clerk of the municipality.

(5) Upon adoption of the articles or amendments to the articles by each of the participating municipalities, a printed copy of the articles or the amended articles shall be filed with the secretary of state by the clerk of the last participating municipality to adopt the articles or amendments.

(6) The authority's articles of incorporation, or amendments to the articles, take effect upon filing with the secretary of state.

Sec. 11. (1) An authority may levy a tax of not more than 1 mill for a period of not more than 20 years on all of the taxable property within the territory of the authority for the purposes of acquiring, constructing, operating, maintaining, and improving a public swimming pool, public recreation center, public auditorium or conference center, or public park. The authority may levy the tax only upon the approval of a majority of the electors in each of the participating municipalities of the authority voting on the tax on November 6, 2001 or, thereafter, at a statewide general or primary election. The proposal for a tax shall be submitted to a vote of the electors of the authority by resolution of the board.

(2) A ballot proposal for a tax shall state the amount and duration of the millage and the purposes for which the millage may be used. A proposal for a tax shall not be placed on the ballot unless the proposal is adopted by a resolution of the board and certified by the board not later than 60 days before the election to the county clerk of each county in which all or part of the territory of the authority is located for inclusion on the ballot. The proposal shall be certified for inclusion on the ballot at the next eligible election, as specified by the board's resolution.

(3) If a majority of the electors in each of the participating municipalities of the authority voting on the question of a tax approve the proposal as provided under subsection (1), the tax levy is authorized. Not more than 2 elections may be held in a calendar year on a proposal for a tax authorized under this act.

Sec. 21. (1) An authority may borrow money and issue bonds or notes to finance the acquisition, construction, and improvement of a public swimming pool, a public recreation center, a public auditorium, a public conference center, or a public park, including the acquisition of sites and the acquisition and installation of furnishings and equipment for these purposes.

(2) An authority shall not borrow money or issue bonds or notes for a sum that, together with the total outstanding bonded indebtedness of the authority, exceeds 2 mills of the taxable value of the taxable property within the district as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(3) Bonds or notes issued by an authority are a debt of the authority and not of the participating municipalities.

(4) A tax levied to pay a bond or note obligation by a recreational authority under this act shall not exceed 5 years without the approval of a majority of the electors in each of the participating municipalities of the authority.

(5) All bonds or notes issued by a recreational authority under this act are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

Sec. 23. (1) An authority may issue general obligation unlimited tax bonds upon approval of a majority of the electors in each of the participating municipalities of the authority voting on the question of issuing the bonds. The proposal to issue general obligation unlimited tax bonds shall be submitted to a vote of the electors of the authority by resolution of the board.

(2) The language of the ballot proposal shall be in substantially the following form:

"Shall [name of authority], formed by [names of participating municipalities], borrow the sum of not to exceed _____ dollars (\$_____) and issue its general obligation unlimited tax bonds for all or a portion of that amount for the purpose of _____?"

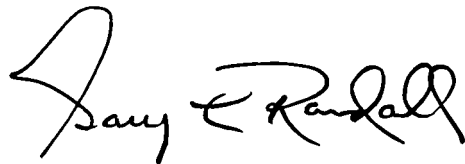
This is expected to result in an increase of _____ in the tax levied on property valued at _____ for a period of _____ years.

Yes [] No []".

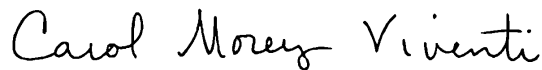
(3) The election shall be conducted in the manner provided in sections 11 to 17 for an election for a tax. Not more than 2 elections on the question of issuing general obligation unlimited tax bonds may be held in a calendar year.

(4) If an authority issues general obligation unlimited tax bonds under this section, the board, by resolution, shall authorize and levy the taxes necessary to pay the principal of and interest on the bonds.

This act is ordered to take immediate effect.



Clerk of the House of Representatives



Secretary of the Senate

Approved _____

Governor