

HOUSE BILL NO. 6401

November 12, 2020, Introduced by Reps. Coleman and Steven Johnson and referred to the Committee on Government Operations.

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 2 (MCL 124.352), as amended by 1983 PA 137.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 2. (1) The legislative body of ~~any~~**a** city having a
2 population of not more than 300,000 may incorporate a public
3 authority ~~for the purpose of acquiring, owning, operating, to~~
4 **acquire, own, or operate**, or ~~causing~~**cause** to be operated, a mass
5 transportation system. The authority ~~shall be~~**is** authorized to
6 operate the mass transportation system within the boundaries of the
7 city ~~which~~**that** incorporates the public authority. However, a
8 public authority created before ~~the effective date of section 7a~~
9 **July 18, 1983** may operate a mass transportation system within the
10 same political subdivisions in which it operates a mass
11 transportation system immediately before ~~the effective date of~~
12 ~~section 7a~~**July 18, 1983** and those political subdivisions, other
13 than ~~those~~**the** political subdivisions ~~which~~**that** only receive
14 public transportation services from the authority ~~pursuant to~~**under**
15 a contract, ~~shall be~~**are** considered ~~to be~~ members of the authority.
16 A public authority may also operate a mass transportation system
17 within a political subdivision ~~which~~**that**, by a resolution adopted
18 by a majority vote of the members elected to and serving on the
19 legislative body of the political subdivision, requests membership
20 in the authority, but only if a majority of the members of the
21 board of the authority, by resolution, approve the request. If a
22 political subdivision joins the authority, the board shall amend
23 the articles of incorporation accordingly. The clerk of the
24 political subdivision being added shall execute the amendment,
25 which ~~shall~~**must** be filed and published in the same manner as the
26 original articles of incorporation.

27 (2) The incorporation ~~shall~~**must** be accomplished by adoption

1 of articles of incorporation by an affirmative vote of a majority
 2 of the members elect of the legislative body of the city. The fact
 3 of adoption ~~shall~~**must** be indorsed on the articles of incorporation
 4 by the mayor and clerk of the city in **a** form substantially as
 5 follows:

6 "The foregoing articles of incorporation were adopted by an
 7 affirmative vote of a majority of the members elect of the (name of
 8 legislative body) of the city of, county,
 9 Michigan, at a meeting duly held on the day of,
 10 A.D. (year).

11
 12 Mayor
 13
 14
 15 Clerk"

16 **Before January 1, 2022, the** articles of incorporation ~~shall~~
 17 **must** be published at least once in a newspaper designated in the
 18 articles and circulated within the area proposed to be served by
 19 the mass transportation system. **Beginning January 1, 2022, the**
 20 **articles of incorporation must be posted as provided in the local**
 21 **government public notice act.** One printed copy of the articles of
 22 incorporation certified as a "true copy" by the person or persons
 23 designated with the date and place of the publication ~~, shall~~**must**
 24 be filed with the secretary of state and with the clerk of the
 25 county within which the area to be served by the mass
 26 transportation system is located. The authority ~~shall become~~
 27 **becomes** operative at the time provided in the articles of
 28 incorporation. The validity of the incorporation ~~shall be~~**is**
 conclusively presumed unless questioned in a court of competent

1 jurisdiction within 60 days after the filing of the certified
2 copies with the secretary of state and with the county clerk.

3 (3) If the authority ceases to operate or is dissolved and a
4 successor agency is not created to assume its assets and
5 liabilities and perform its functions, and ~~the~~ **this** state
6 guarantees the payment of claims for benefits ~~arising under Act No.~~
7 ~~317 of the Public Acts of 1969, as amended, being sections 418.101~~
8 ~~to 418.941 of the Michigan Compiled Laws, the worker's disability~~
9 **compensation act of 1969, 1969 PA 317, MCL 418.101 to 418.941,**
10 against the authority, during the time the authority was approved
11 as a self-insurer under section 611(1)(a) of ~~Act No. 317 of the~~
12 ~~Public Acts of 1969, as amended, being section 418.611 of the~~
13 ~~Michigan Compiled Laws, the~~ **the worker's disability compensation**
14 **act of 1969, 1969 PA 317, MCL 418.611, this** state ~~shall be~~ **is**
15 entitled to a lien ~~which shall take~~ **that takes** precedence over all
16 other liens on its portion of the assets of the authority in
17 satisfaction of the payment of claims for benefits under ~~Act No.~~
18 ~~317 of the Public Acts of 1969, as amended.~~ **the worker's disability**
19 **compensation act of 1969, 1969 PA 317, MCL 418.101 to 418.941.**

20 Enacting section 1. This amendatory act does not take effect
21 unless Senate Bill No. ____ or House Bill No. 6440 (request no.
22 02449'19) of the 100th Legislature is enacted into law.