



HOUSE BILL No. 4658

March 22, 1995, Introduced by Reps. McNutt, Horton, Rhead, Dalman, Cropsey, Jaye, Randall and Llewellyn and referred to the Committee on Urban Policy.

A bill to amend sections 2 and 5a of Act No. 7 of the Public Acts of the Extra Session of 1967, entitled as amended "Urban cooperation act of 1967," section 2 as amended and section 5a as added by Act No. 286 of the Public Acts of 1987, being sections 124.502 and 124.505a of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Section 1. Sections 2 and 5a of Act No. 7 of the Public Acts of the Extra Session of 1967, section 2 as amended and section 5a as added by Act No. 286 of the Public Acts of 1987, being sections 124.502 and 124.505a of the Michigan Compiled Laws, are amended to read as follows:

Sec. 2. As used in this act:

~~-(a) "Commercial or industrial property" means real property classified as commercial or industrial property under section 34e~~

~~1 of the general property tax act, Act No. 206 of the Public Acts~~
~~2 of 1893, being section 211.34c of the Michigan Compiled Laws.~~

3 (A) ~~(b)~~ "Interlocal agreement" means an agreement entered
 4 into ~~pursuant to~~ UNDER this act.

5 (B) ~~(c)~~ "Local governmental unit" means a county, city,
 6 village, township, or charter township.

7 (C) ~~(d)~~ "Province" means a province of the Dominion of
 8 Canada.

9 (D) "PROPERTY" MEANS ANY REAL OR PERSONAL PROPERTY, AS
 10 DESCRIBED IN SECTION 34C OF THE GENERAL PROPERTY TAX ACT, ACT
 11 NO. 206 OF THE PUBLIC ACTS OF 1893, BEING SECTION 211.34C OF THE
 12 MICHIGAN COMPILED LAWS.

13 (e) "Public agency" means a political subdivision of this
 14 state or of ~~any~~ ANOTHER state of the United States or OF the
 15 Dominion of Canada, including, but not limited to, state govern-
 16 ment; a county, city, village, township, charter township, school
 17 district, single ~~and~~ OR multipurpose special district, or
 18 single ~~and~~ OR multipurpose public authority; provincial govern-
 19 ment, metropolitan government, borough, or ~~any~~ other political
 20 subdivision of the Dominion of Canada; ~~any~~ AN agency of the
 21 United States government; or ~~any~~ A similar entity of any other
 22 states of the United States and of the Dominion of Canada.

23 (f) "State" means a state of the United States.

24 Sec. 5a. (1) Upon approval of the legislative body of each
 25 contracting local governmental unit, 2 or more local governmental
 26 units that levy a property tax under the general property tax
 27 act, Act No. 206 of the Public Acts of 1893, being sections 211.1

1 to 211.157 of the Michigan Compiled Laws, may enter into an
 2 interlocal agreement for the sharing of all or a portion of reve-
 3 nue derived by and for the benefit of a local governmental unit
 4 entering into that agreement, which revenue results from the levy
 5 of general ad valorem property taxes or specific taxes levied in
 6 lieu of general ad valorem property taxes upon ~~certain commer-~~
 7 ~~cial or industrial~~ ANY property.

8 (2) An interlocal agreement under this section may include
 9 ~~any~~ ALL necessary and proper ~~matter~~ MATTERS and shall specify
 10 at least all of the following:

11 (a) The duration of the agreement and the method by which
 12 the agreement may be rescinded or terminated by a contracting
 13 local governmental unit before the stated date of termination.

14 (b) A description of the ~~commercial or industrial~~ property
 15 upon which the taxes to be shared are levied, expressed in terms
 16 of type of property or location of property, including a parcel
 17 identification number, if any.

18 (c) The formula or formulas for sharing the tax revenue to
 19 be shared.

20 (d) A schedule and method of distribution of the shared tax
 21 revenue.

22 (3) The assessment, levy, collection, and distribution of
 23 taxes shall be in accordance with ~~the general property tax act,~~
 24 Act No. 206 of the Public Acts of 1893 — and the statutes gov-
 25 erning specific taxes levied in lieu of general ad valorem prop-
 26 erty taxes.

1 ~~(4) A local governmental unit shall not enter into an~~
2 ~~agreement under this section after December 31, 1992.~~

3 (4) ~~(5)~~ The public policy of this state is for local gov-
4 ernmental units to avoid entering into an interlocal agreement
5 under this section if that interlocal agreement has the effect of
6 transferring employment from 1 or more local governmental units
7 in this state to 1 or more of the local governmental units enter-
8 ing into the agreement.

9 Section 2. An interlocal agreement for a
10 publicly-authorized undertaking that is executed before the
11 effective date of this amendatory act and that includes in its
12 provisions a method or formula for equitably providing for and
13 allocating revenues as authorized by section 5 or 5a of the urban
14 cooperation act of 1967, Act No. 7 of the Public Acts of the
15 Extra Session of 1967, being sections 124.505 and 124.505a of the
16 Michigan Compiled Laws, is validated and is not affected by this
17 amendatory act.