



SENATE BILL No. 491

May 3, 1995, Introduced by Senator VAN REGENMORTER and referred to the Committee on Local, Urban and State Affairs.

A bill to amend the title and sections 2, 5, 5a, and 6 of Act No. 31 of the Public Acts of the First Extra Session of 1948, entitled as amended

"An act to provide for the incorporation of authorities to acquire, furnish, equip, own, improve, enlarge, operate, and maintain buildings, automobile parking lots or structures, recreational facilities, stadiums, and the necessary site or sites therefor, together with appurtenant properties and facilities necessary or convenient for the effective use thereof, for the use or benefit of any county or for the use or benefit of any county and any city or village therein, or for the use or benefit of any city, village, or township or for the use of any school district and any city, village, or township wholly or partially within the district's boundaries, or for the use of any intermediate school district and any constituent school district or any city, village, or township, wholly or partially within the intermediate school district's boundaries; to provide for compensation of authority commissioners; to permit transfers of property to authorities; to authorize the execution of contracts, leases, and subleases pertaining to authority property and the use thereof; to authorize incorporating units to impose taxes without limitation as to rate or amount and to pledge their full faith and credit for the payment of contract of lease obligations in anticipation of which bonds are issued by an authority; to provide for the issuance of bonds by such authorities; to validate action taken and bonds issued; and to provide other powers, rights, and

duties of authorities and incorporating units, including those for the disposal of authority property,"

being sections 123.952, 123.955, 123.955a, and 123.956 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title and sections 2, 5, 5a, and 6 of Act
2 No. 31 of the Public Acts of the First Extra Session of 1948,
3 being sections 123.952, 123.955, 123.955a, and 123.956 of the
4 Michigan Compiled Laws, are amended to read as follows:

TITLE

6 An act to provide for the incorporation of authorities to
7 acquire, furnish, equip, own, improve, enlarge, operate, and
8 maintain buildings, automobile parking lots or structures, recre-
9 ational facilities, stadiums, and the necessary site or sites
10 therefor, together with appurtenant properties and facilities
11 necessary or convenient for the effective use thereof, for the
12 use ~~or benefit~~ of any county, ~~or for the use or benefit of any~~
13 ~~county and any city or village therein, or for the use or benefit~~
14 ~~of any~~ city, village, or township, OR FOR THE USE OF ANY COMBI-
15 NATION OF 2 OR MORE COUNTIES, CITIES, VILLAGES, OR TOWNSHIPS, or
16 for the use of any school district and any city, village, or
17 township wholly or partially within the district's boundaries, or
18 for the use of any intermediate school district and any constitu-
19 ent school district or any city, village, or township, wholly or
20 partially within the intermediate school district's boundaries;
21 to provide for compensation of authority commissioners; to permit
22 transfers of property to authorities; to authorize the execution

1 of contracts, leases, and subleases pertaining to authority
 2 property and the use ~~thereof~~ OF AUTHORITY PROPERTY; to autho-
 3 rize incorporating units to impose taxes without limitation as to
 4 rate or amount and to pledge their full faith and credit for the
 5 payment of contract of lease obligations in anticipation of which
 6 bonds are issued by an authority; to provide for the issuance of
 7 bonds by such authorities; to validate action taken and bonds
 8 issued; and to provide other powers, rights, and duties of
 9 authorities and incorporating units, including those for the dis-
 10 posal of authority property.

11 Sec. 2. Any ~~county and any city, township or village~~
 12 ~~therein,~~ COMBINATION OF 2 OR MORE COUNTIES, CITIES, TOWNSHIPS,
 13 AND VILLAGES may incorporate 1 or more JOINT authorities for the
 14 purpose of acquiring, furnishing, equipping, owning, improving,
 15 enlarging, operating, and maintaining ~~a building or~~ buildings,
 16 automobile parking lots or structures, recreational facilities,
 17 stadiums, and the necessary ~~site or~~ sites therefor, together
 18 with appurtenant properties and facilities necessary or conven-
 19 ient for the effective use thereof, for use for any legitimate
 20 public purpose of ~~such county and city, township or village~~ THE
 21 INCORPORATING UNITS.

22 Sec. 5. (1) The articles of incorporation shall set forth
 23 ~~the~~ ALL OF THE FOLLOWING:

24 (A) THE name of ~~such~~ THE authority. ~~the~~

25 (B) THE name or names of the unit or units incorporating the
 26 ~~same, the~~ AUTHORITY.

1 (C) THE purpose for which the authority is ~~created, the~~
2 INCORPORATED.

3 (D) THE number, terms, and manner of selection of ~~its~~ THE
4 officers OF THE AUTHORITY including its governing body, which
5 shall be known as the "commission". ~~, the~~

6 (E) THE powers and duties of the authority and of its
7 officers. ~~, the~~

8 (F) THE date upon which the authority shall become
9 effective. ~~,~~

10 (G) THE OFFICER REQUIRED TO PUBLISH THE ARTICLES OF INCORPO-
11 RATION AND the name of the newspaper in which the articles of
12 incorporation shall be published. ~~, and any~~

13 (H) THE COUNTY WITH WHOSE CLERK THE ARTICLES OF INCORPORA-
14 TION SHALL BE FILED, WHICH SHALL BE A COUNTY THAT IS AN INCOR-
15 PORATING UNIT OR IN WHICH AN INCORPORATING UNIT IS LOCATED.

16 (I) ANY other matters CONSIDERED expedient. ~~to be incorpo-~~
17 ~~rated therein. Provided, however, That the members of the legis-~~
18 ~~lative body of each~~

19 (2) A MEMBER OF THE GOVERNING BODY OF AN incorporating unit
20 of ~~a single authority as provided for in section 1 hereof shall~~
21 ~~not be~~ AN AUTHORITY IS NOT eligible for membership or appoint-
22 ment to ~~such~~ THE authority.

23 Sec. 5a. (1) A joint building authority ~~of~~ UNDER
24 SECTION 2 INCORPORATED BY a county AND a city, TOWNSHIP, or vil-
25 lage shall be directed and governed by a ~~board of commissioners~~
26 COMMISSION of 3 members, 1 to be elected by the county board of
27 commissioners of the county, 1 to be elected by the legislative

1 body of the city, TOWNSHIP, or village, and 1 to be elected by
2 the joint action of the county board of commissioners of the
3 county and the legislative body of the city, TOWNSHIP, or
4 village. If the legislative bodies are unable to agree upon a
5 choice for the third member within 60 days after the election of
6 the first member, then the third member shall be appointed by the
7 governor.

8 (2) A JOINT BUILDING AUTHORITY UNDER SECTION 2 NOT DESCRIBED
9 BY SUBSECTION (1) SHALL BE DIRECTED AND GOVERNED BY A COMMISSION
10 CONSISTING OF 1 MEMBER ELECTED BY THE LEGISLATIVE BODY OF EACH
11 INCORPORATING UNIT AND SUCH OTHER MEMBERS AS MAY BE PROVIDED BY
12 THE ARTICLES OF INCORPORATION. The commissioners OF A JOINT
13 BUILDING AUTHORITY UNDER SECTION 2 shall serve for 4-year terms.

14 (3) ~~(2)~~ The ~~commissioners~~ COMMISSION shall designate 1
15 member as chairperson and 1 as secretary, and shall adopt bylaws
16 and rules of procedure. A member of the ~~board of commissioners~~
17 COMMISSION of a joint building authority shall not be an elected
18 official of the county, city, TOWNSHIP, or village.

19 (4) ~~(3)~~ The business ~~which the board of commissioners may~~
20 ~~perform~~ THAT THE COMMISSION OF ANY BUILDING AUTHORITY PERFORMS
21 shall be conducted at a public meeting of the board of commis-
22 sioners held in compliance with THE OPEN MEETINGS ACT, Act No.
23 267 of the Public Acts of 1976, being sections 15.261 to 15.275
24 of the Michigan Compiled Laws. Public notice of the time, date,
25 and place of the meeting shall be given in the manner required by
26 Act No. 267 of the Public Acts of 1976.

1 Sec. 6. (1) ~~The articles of incorporation shall be~~
2 ~~executed in duplicate and delivered to the county clerk who shall~~
3 ~~file + such duplicate in his office and the other with the~~
4 ~~recording officer of the authority when selected.~~ The officer
5 designated in the articles of incorporation shall cause a copy of
6 the articles of incorporation OR A SUMMARY OF THE ARTICLES to be
7 published once in a newspaper designated in the articles of
8 incorporation and circulating within the incorporating ~~unit or~~
9 units accompanied by a statement that the right exists to ques-
10 tion the incorporation in court as provided in this section.

11 ~~The county clerk shall file + printed copy of such articles of~~
12 ~~incorporation with the secretary of state and + printed copy in~~
13 ~~his office, attached to each of which printed copies shall be his~~
14 ~~certificate setting forth that the same is a true and complete~~
15 ~~copy of the original articles of incorporation on file in his~~
16 ~~office and also the date and place of the publication thereof.~~

17 ~~Such~~ THE OFFICER SHALL FILE WITH THE COUNTY CLERK OF THE COUNTY
18 DESIGNATED UNDER SECTION 5(1)(H) AND THE SECRETARY OF STATE A
19 CERTIFIED COPY OF THE ARTICLES OF INCORPORATION WITH A CERTIFI-
20 CATE OF THE DATE AND NEWSPAPER OF PUBLICATION. THE OFFICER SHALL
21 FILE WITH THE RECORDING OFFICER OF THE AUTHORITY, WHEN SELECTED,
22 THE ORIGINAL ARTICLES OF INCORPORATION WITH A CERTIFICATE OF THE
23 DATE AND NEWSPAPER OF PUBLICATION.

24 (2) THE authority shall become effective at the time pro-
25 vided in the articles of incorporation.

26 (3) The validity of ~~such~~ THE incorporation shall be
27 conclusively presumed unless questioned in a court of competent

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