

HOUSE BILL No. 6327

August 9, 2006, Introduced by Reps. Bennett, Alma Smith, Tobocman, Polidori, Hood, Kolb, Sak, Hunter, Espinoza, Mayes, Vagnozzi, Zelenko, Clack, Cushingberry, Kathleen Law, Plakas, Accavitti, Condino, Angerer, Bieda, Lemmons, Jr., McDowell, Byrum, Gillard, Murphy, Meisner and Lemmons, III and referred to the Committee on Commerce.

A bill to amend 2000 PA 146, entitled
"Obsolete property rehabilitation act,"
by amending section 3 (MCL 125.2783).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) A qualified local governmental unit, by resolution
2 of its legislative body, may establish 1 or more obsolete property
3 rehabilitation districts that may consist of 1 or more parcels or
4 tracts of land or a portion of a parcel or tract of land, if at the
5 time the resolution is adopted, the parcel or tract of land or
6 portion of a parcel or tract of land within the district is either
7 of the following:

8 (a) Obsolete property in an area characterized by obsolete
9 commercial property or commercial housing property.

1 (b) Commercial property that is obsolete property that was
2 owned by a qualified local governmental unit on the effective date
3 of this act, and subsequently conveyed to a private owner.

4 (2) The legislative body of a qualified local governmental
5 unit may establish an obsolete property rehabilitation district on
6 its own initiative or upon a written request filed by the owner or
7 owners of property comprising at least 50% of all taxable value of
8 the property located within a proposed obsolete property
9 rehabilitation district. The written request must be filed with the
10 clerk of the qualified local governmental unit.

11 (3) Before adopting a resolution establishing an obsolete
12 property rehabilitation district, the legislative body shall give
13 written notice by certified mail to the owners of all real property
14 within the proposed obsolete property rehabilitation district and
15 shall afford an opportunity for a hearing on the establishment of
16 the obsolete property rehabilitation district at which any of those
17 owners and any other resident or taxpayer of the qualified local
18 governmental unit may appear and be heard. The legislative body
19 shall give public notice of the hearing not less than 10 days or
20 more than 30 days before the date of the hearing.

21 (4) The legislative body of the qualified local governmental
22 unit, in its resolution establishing an obsolete property
23 rehabilitation district, shall set forth a finding and
24 determination that the district meets the requirements set forth in
25 subsection (1).

26 (5) BEGINNING JANUARY 1, 2007, THE OWNER OR LESSEE OF A
27 REHABILITATED FACILITY WHO HAS BEEN FOUND GUILTY OF A CRIMINAL

1 VIOLATION OR FOUND RESPONSIBLE FOR A CIVIL VIOLATION UNDER SECTION
2 1131 OR 1132 OF THE EMPLOYEE RETIREMENT SECURITY ACT OF 1974, 29
3 USC 1131 OR 1132, IN THE IMMEDIATELY PRECEDING 10 YEARS FROM THE
4 DATE OF APPLICATION IS NOT ELIGIBLE FOR AN OBSOLETE PROPERTY
5 REHABILITATION EXEMPTION CERTIFICATE UNDER THIS ACT.

6 (6) BEGINNING WITH OBSOLETE PROPERTY REHABILITATION EXEMPTION
7 CERTIFICATES THAT TAKE EFFECT ON OR AFTER JANUARY 1, 2007, IF THE
8 PERSON TO WHOM THE CERTIFICATE IS ISSUED IS FOUND GUILTY OF A
9 CRIMINAL VIOLATION OR FOUND RESPONSIBLE FOR A CIVIL VIOLATION UNDER
10 SECTION 1131 OR 1132 OF THE EMPLOYEE RETIREMENT SECURITY ACT OF
11 1974, 29 USC 1131 OR 1132, ON OR AFTER JANUARY 1, 2007, THEN THAT
12 PERSON IS RESPONSIBLE FOR THE PAYMENT OF A PENALTY DESCRIBED IN
13 THIS SUBSECTION. THE PENALTY IS EQUAL TO THE DIFFERENCE BETWEEN THE
14 INDUSTRIAL FACILITY TAX AND THE GENERAL AD VALOREM TAXES THAT WOULD
15 HAVE BEEN LEVIED IF THE CERTIFICATE HAD NOT BEEN GRANTED FOR EACH
16 YEAR THE CERTIFICATE WAS IN EFFECT.