

HOUSE BILL No. 6076

December 3, 2014, Introduced by Rep. Irwin and referred to the Committee on Tax Policy.

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 7 (MCL 124.357), as amended by 2002 PA 337.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 7. (1) For the purpose of acquiring, improving,
2 enlarging, or extending a mass transportation system, the authority
3 may issue self-liquidating revenue bonds under the revenue bond act
4 of 1933, 1933 PA 94, MCL 141.101 to 141.140, or any other act
5 providing for the issuance of self-liquidating revenue bonds. The
6 bonds shall not be a general obligation of the authority, but shall

1 be payable solely from the revenue of the mass transportation
2 system. However, if the authority issues self-liquidating revenue
3 bonds with a pledge of the full faith and credit of the
4 municipality, those revenue bonds are subject to the revised
5 municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

6 (2) An authority formed under this act may levy a tax on all
7 of the taxable property within the political subdivisions that
8 comprise the authority for public transportation purposes as
9 authorized by this act.

10 (3) The tax authorized in subsection (2) shall not exceed 5
11 mills of the state equalized valuation on each dollar of assessed
12 valuation in the political subdivisions that comprise the
13 applicable authority.

14 (4) The **AUTHORITY SHALL NOT LEVY THE** tax authorized ~~under~~ **IN**
15 subsection (2) ~~shall not be levied~~ except upon the approval of a
16 majority of the registered electors residing in the political
17 subdivisions that comprise the authority affected and qualified to
18 vote and voting on the tax at a general or special election. The
19 election may be called by resolution of the board of the authority.
20 The recording officer of the authority shall file a copy of the
21 resolution of the board calling the election with the clerk of each
22 affected county, city, or township not less than 60 days before the
23 date of the election. The resolution calling the election shall
24 contain a statement of the proposition to be submitted to the
25 electors. Each county, city, and township clerk and all other
26 county, city, and township officials shall undertake those steps to
27 properly submit the proposition to the electors of the county,

1 city, and township at the election specified in the resolutions of
2 the authority. The election shall be conducted and canvassed in
3 accordance with the Michigan election law, 1954 PA 116, MCL 168.1
4 to 168.992, except that if the authority is located in more than 1
5 county, the election shall be canvassed by the state board of
6 canvassers. The results of the election shall be certified to the
7 board of the authority promptly after the date of the election. The
8 authority shall not call more than 1 election within a calendar
9 year under this section for the approval of the tax authorized by
10 subsection (2) without the approval of the legislative bodies of a
11 majority of the member political subdivisions of the authority. If
12 the election is a special election, the authority in which the
13 election is held shall pay the costs of the election. If the
14 election is a general election, the authority in which the election
15 is held shall pay the increased costs of the election due to the
16 placement of the proposition on the ballot by the authority or an
17 amount negotiated between the authority and the appropriate
18 political subdivisions.

19 (5) The taxes authorized by this section may be levied at a
20 rate and for a period of not more than ~~5~~10 years as determined by
21 the authority in the resolution calling the election and as ~~shall~~
22 ~~be~~ set forth in the proposition submitted to the electors.

23 (6) The tax rate authorized by this section shall be levied
24 and collected as are all ad valorem property taxes in this state
25 and the recording officer of the authority shall at the appropriate
26 times certify to the proper tax assessing or collecting officers of
27 each tax collecting county, city, and township the amount of taxes

1 to be levied and collected each year by each county, city, and
2 township. The board of the authority shall determine on which tax
3 roll, if there is more than 1, of the county, city, or township
4 that the taxes authorized by this section shall be collected. Each
5 tax assessing and collecting officer and each county treasurer
6 shall levy and collect the taxes certified by the authority and pay
7 the taxes to the authority by the time provided in section 43 of
8 the general property tax act, 1893 PA 206, MCL 211.43. The tax rate
9 authorized by this section may be first levied by the authority as
10 a part of the first tax roll of the appropriate counties, cities,
11 and townships occurring after the election described in subsection
12 (4). The tax may be levied and collected on the June or December
13 tax roll immediately following the date of election, if the tax is
14 certified to the proper tax assessing officials not later than May
15 15 or November 15, respectively, of the year in which the election
16 is held.