

MASS TRANSPORTATION SYSTEM AUTHORITIES Act 55 of 1963

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.

History: 1963, Act 55, Imd. Eff. Apr. 29, 1963;—Am. 1980, Act 397, Imd. Eff. Jan. 8, 1981;—Am. 1980, Act 410, Imd. Eff. Jan. 9, 1981.

The People of the State of Michigan enact:

124.351 Definitions.

Sec. 1. As used in this act:

(a) “Authority” means a public transportation authority formed under this act.

(b) “Board” means the governing body of an authority.

(c) “Goods” means baggage, accessories, or other personal property carried by or accompanying persons using public transportation service.

(d) “Mass transportation systems” means all plants, equipment, work instrumentalities, and real and personal property and rights, used or useful for transportation of passengers for hire, except taxicabs and airport limousines.

(e) “Public transportation”, “public transportation services”, and “public transportation purposes” mean the movement of people and goods by publicly or privately owned water vehicle, bus, railroad car, rapid transit vehicle, taxicab, or other conveyance which provides general or special service to the public, but not including school buses or charter or sightseeing service. Public transportation, public transportation services, and public transportation purposes as defined by this section are declared by law to be transportation purposes within the meaning of section 9 of article IX of the state constitution of 1963.

(f) “Service area” means that area in which a public authority incorporated under this act operates a mass transportation system or causes a mass transportation system to operate.

(g) “Taxable property” means the property taxable under the general property tax act, Act No. 206 of the Public Acts of 1893, being sections 211.1 to 211.157 of the Michigan Compiled Laws, except for property expressly exempted under that act.

the articles of incorporation by the mayor and clerk of the city in form substantially as follows:

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

.....
Mayor

.....
Clerk

The articles of incorporation shall be published at least once in a newspaper designated in the articles and circulated within the area proposed to be served by the mass transportation system. One printed copy of the articles of incorporation certified as a "true copy" by the person or persons designated with the date and place of the publication, shall be filed with the secretary of state and with the clerk of the county within which the area to be served by the mass transportation system is located. The authority shall become operative at the time provided in the articles of incorporation. The validity of the incorporation shall be conclusively presumed unless questioned in a court of competent jurisdiction within 60 days after the filing of the certified copies with the secretary of state and with the county clerk.

(3) If the authority ceases to operate or is dissolved and a successor agency is not created to assume its assets and liabilities and perform its functions, and the state guarantees the payment of claims for benefits arising under Act No. 317 of the Public Acts of 1969, as amended, being sections 418.101 to 418.941 of the Michigan Compiled Laws, against the authority, during the time the authority was approved as a self-insurer under section 611(1)(a) of Act No. 317 of the Public Acts of 1969, as amended, being section 418.611 of the Michigan Compiled Laws, the state shall be entitled to a lien which shall take precedence over all other liens on its portion of the assets of the authority in satisfaction of the payment of claims for benefits under Act No. 317 of the Public Acts of 1969, as amended.

History: 1963, Act 55, Imd. Eff. Apr. 29, 1963;—Am. 1969, Act 212, Eff. Mar. 20, 1970;—Am. 1980, Act 397, Imd. Eff. Jan. 8, 1981;—Am. 1980, Act 410, Imd. Eff. Jan. 9, 1981;—Am. 1983, Act 137, Imd. Eff. July 18, 1983.

124.352a Release of political subdivision from membership in authority; conditions; levy and payment of tax; evidence of release.

Sec. 2a. (1) A political subdivision that is a member of an authority may be released from membership in the authority if all of the following conditions are met:

(a) Adoption of a resolution by a majority of the members elected to and serving on the legislative body of the political subdivision requesting release from membership.

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124.354 Authority as body corporate; powers.

Sec. 4. The authority shall be a body corporate with power to sue and be sued in any court of this state. It shall possess all the powers necessary to carry out the purposes of its incorporation and all things incident thereto. The authority by contract may employ a management firm, either corporate or otherwise, to actually operate the mass transportation system, under the supervision of the authority. The enumeration of powers of this act shall not be construed as a limitation on such general powers.

History: 1963, Act 55, Imd. Eff. Apr. 29, 1963.

124.354a Eligibility of public authority to apply for and receive funds under MCL 247.660e.

Sec. 4a. A public authority incorporated under this act which operates a mass transportation system in a service area which is at least an entire county and which provides demand actuated service to that service area shall be eligible to apply for and receive funds under section 10e(1)(f) of Act No. 51 of the Public Acts of 1951, as amended, being section 247.660e of the Michigan Compiled Laws.

History: Add. 1980, Act 410, Imd. Eff. Jan. 9, 1981.

124.355 Authority as body corporate; property; condemnation.

Sec. 5. The authority may acquire property for a mass transportation system by purchase, construction, lease, gift or devise, either within or without the area served by such mass transportation system and may hold, manage, control, sell, exchange or lease such property. The authority may utilize any appropriate statute for the purpose of condemnation. Such condemnation proceedings shall only be applicable to property located within the corporate boundaries of the political subdivision or subdivisions by which the authority is incorporated within the corporate boundaries of the authority.

History: 1963, Act 55, Imd. Eff. Apr. 29, 1963.

124.356 Fares; contracts.

Sec. 6. The authority shall have authority to charge such fares and enter into contracts for the service provided by the mass transportation system as shall be necessary to provide funds to meet the obligations of said authority.

History: 1963, Act 55, Imd. Eff. Apr. 29, 1963.

124.357 Self-liquidating revenue bonds; issuance

the member political subdivisions of the authority. If the election is a special election, the authority in which the election is held shall pay the costs of the election. If the election is a general election, the authority in which the election is held shall pay the increased costs of the election due to the placement of the proposition on the ballot by the authority or an amount negotiated between the authority and the appropriate political subdivisions.

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

(6) The tax rate authorized by this section shall be levied and collected as are all ad valorem property taxes in this state and the recording officer of the authority shall at the appropriate times certify to the proper tax assessing or collecting officers of each tax collecting county, city, and township the amount of taxes to be levied and collected each year by each county, city, and township. The board of the authority shall determine on which tax roll, if there is more than 1, of the county, city, or township that the taxes authorized by this section shall be collected. Each tax assessing and collecting officer and each county treasurer shall levy and collect the taxes certified by the authority and pay the taxes to the authority by the time provided in section 43 of the general property tax act, 1893 PA 206, MCL 211.43. The tax rate authorized by this section may be first levied by the authority as a part of the first tax roll of the appropriate counties, cities, and townships occurring after the election described in subsection (4). The tax may be levied and collected on the June or December tax roll immediately following the date of election, if the tax is certified to the proper tax assessing officials not later than May 15 or November 15, respectively, of the year in which the election is held.

History: 1963, Act 55, Imd. Eff. Apr. 29, 1963;—Am. 1980, Act 410, Imd. Eff. Jan. 9, 1981;—Am. 1983, Act 137, Imd. Eff. July 18, 1983;—Am. 2002, Act 337, Imd. Eff. May 23, 2002.

124.357a Authority; tax limitations.

Sec. 7a. An authority is intended to and shall be deemed to be an authority the tax limitations of which are provided by charter or general law within the meaning of section 6 of article IX of the state constitution of 1963.

History: Add. 1983, Act 137, Imd. Eff. July 18, 1983.

124.358 Property owned by authority; exemption from taxes or special assessments for municipal services.

Sec. 8. The real and personal property, owned by an authority and located within the service area, shall be exempt from all taxes levied by the state and by a political subdivision, except special assessments for municipal services if the property is located outside the corporate boundaries of the political subdivision by which the authority is incorporated. The real and personal property, owned by an authority and located outside the corporate boundaries of the political subdivision