

## **COMMUNITY AIRPORTS**

### **Act 206 of 1957**

AN ACT to authorize 2 or more counties, cities, townships and incorporated villages, or any combination thereof, to incorporate an airport authority for the planning, promoting, acquiring, constructing, improving, enlarging, extending, owning, maintaining and operating the landing, navigational and building facilities necessary thereto of 1 or more community airports; to provide for changes in the membership therein; to authorize an authority or the counties, cities, townships and incorporated villages that form an authority to levy taxes for such purposes; to provide for the operation and maintenance and issuing notes therefor; to authorize condemnation proceedings; and to prescribe penalties and provide remedies.

**History:** 1957, Act 206, Eff. Sept. 27, 1957;—Am. 1987, Act 153, Imd. Eff. Oct. 29, 1987;—Am. 1998, Act 174, Eff. Mar. 23, 1999.

**Popular name:** Community Airport Authority Act

*The People of the State of Michigan enact:*

#### **259.621 Airport authority; formation; purpose; selection and location of site for physical facilities.**

Sec. 1. Any 2 or more counties, cities, incorporated villages, or townships, or any combination thereof, by resolution of their respective legislative bodies, may join to form an airport authority for the purpose of planning, promoting, acquiring, constructing, improving, enlarging, extending, owning, maintaining, and operating the landing, navigational, and building facilities necessary thereto, either within or without their limits, of 1 or more community airports. A site for the physical facilities of the airport authority shall not be selected without the approval of 2/3 of the total membership of the airport authority board and shall be located within the boundaries of the airport authority.

**History:** 1957, Act 206, Eff. Sept. 27, 1957;—Am. 1958, Act 216, Eff. Sept. 13, 1958;—Am. 1969, Act 32, Imd. Eff. July 10, 1969;—Am. 1982, Act 312, Imd. Eff. Oct. 14, 1982.

**Popular name:** Community Airport Authority Act

#### **259.622 Airport authority; body corporate, powers.**

Sec. 2. The airport authority shall be a body corporate with power to sue or be sued in any court of this state and may exercise any and all powers necessary and incident to the acquisition, construction, improvement, enlargement, extension, ownership, maintenance and operation of the landing, navigational and building facilities necessary thereto of 1 or more community airports.

**History:** 1957, Act 206, Eff. Sept. 27, 1957.

**Popular name:** Community Airport Authority Act

#### **259.623 Resolution creating airport authority; county, city, incorporated village, or township subsequently becoming member of airport authority; release from membership; resolutions; conditions.**

Sec. 3. (1) The resolution creating the airport authority shall designate the counties, cities, incorporated villages, and townships to be included therein and shall set forth the fact that a sum of money not to exceed 1 mill of their assessed valuation as last equalized by the state may be requested and certified by the airport authority board annually for the purpose of planning, promoting, acquiring, constructing, improving, enlarging, extending, owning, maintaining, and operating the necessary landing, navigational, and building facilities of 1 or more community airports. The resolution also shall provide that the requested money or any portion of the requested money may be pledged by the governing body of the airport authority for the payment of revenue bonds under Act No. 94 of the Public Acts of 1933, as amended, being sections 141.101 to 141.139 of the Michigan Compiled Laws. The authority shall be deemed to be a charter authority within the meaning of section 6 of article 9 of the state constitution of 1963. The resolution may provide that the airport authority shall become operative if a specified number of the proposed number of members bodies approve it. The resolution may fix a time within which the respective local units must act in order to be included in the airport authority. The resolution may designate a date for the appointed representatives to convene.

(2) Any county, city, incorporated village, or township may subsequently become a member of any airport authority formed under this act upon resolution adopted by the governing body of the municipality and acceptance by resolution adopted by majority vote of the entire governing board of the airport authority. Any county, city, incorporated village, or township which is or becomes a member of an airport authority, upon

request and upon resolution of its governing body, duly accepted by a 2/3 majority vote of the entire governing board of the airport authority, may be released from membership in the airport authority. A county, city, incorporated village, or township may not be released from membership in any airport authority formed under this act until all outstanding obligations of the airport authority that have been incurred after the time of the admission to membership of the county, city, incorporated village, or township and that part of prior obligations as may be agreed to by the board and the governing body of the county, city, incorporated village, or township have been paid, or adequate provision has been made for the payment thereof.

**History:** 1957, Act 206, Eff. Sept. 27, 1957;—Am. 1969, Act 32, Imd. Eff. July 10, 1969;—Am. 1982, Act 312, Imd. Eff. Oct. 14, 1982.

**Popular name:** Community Airport Authority Act

**259.624 Ad valorem property tax; authorization; limitation; computing total tax to be levied; approval of tax by electors; use of revenues.**

Sec. 4. (1) The legislative bodies of the counties, cities, incorporated villages, and townships creating the airport authority may raise by an ad valorem property tax, to be levied on the taxable property within their respective jurisdictions, a sum of money to be used to assist in the planning, promoting, acquiring, constructing, improving, enlarging, extending, owning, maintaining, and operating the landing, navigational, and building facilities necessary thereto of the community airport authorized by this act. The tax shall not exceed 1 mill on each dollar of the state equalized valuation of each county, city, incorporated village, or township. In computing the total tax to be levied, the assessed valuation of any unit of government joining the airport authority shall not be used more than once.

(2) The ad valorem property tax authorized by this section shall not be levied unless approved by the majority of the qualified electors of the member local unit voting thereon. A tax approved pursuant to this subsection may be levied until the local unit is released from membership in the authority or until the authority is dissolved, whichever occurs first. However, this subsection shall not be considered to prohibit the use of revenues from ad valorem property tax levies of mills within the member local unit's charter or statutory limitation to pay an appropriation required by the airport authority.

**History:** 1957, Act 206, Eff. Sept. 27, 1957;—Am. 1958, Act 216, Eff. Sept. 13, 1958;—Am. 1969, Act 32, Imd. Eff. July 10, 1969;—Am. 1982, Act 312, Imd. Eff. Oct. 14, 1982.

**Popular name:** Community Airport Authority Act

**259.625 Airport authority board; number, appointment, and representation of members; election of officers; conducting business at public meeting; public notice; appointment of committees; selection and employment of officers and employees; engaging necessary services; reimbursement of expenses.**

Sec. 5. The airport authority shall be directed and governed by an airport authority board consisting of not less than 4 members, the appointment and representation of which shall consider population as well as other factors and shall be specified in each of the resolutions creating the airport authority. On the date appointed in the adopting resolutions, or not more than 30 days after the creation of the airport authority, the members appointed to the airport authority board shall convene to elect a temporary chairperson and secretary. As soon as possible the full airport authority board shall hold its first meeting and organize by electing a chairperson and vice-chairperson who shall be members of the board, and a secretary and treasurer who need not be members. The business which the board may perform shall be conducted at a public meeting of the board held in compliance with Act No. 267 of the Public Acts of 1976, as amended, being sections 15.261 to 15.275 of the Michigan Compiled Laws. Public notice of the time, date, and place of the meeting shall be given in the manner required by Act No. 267 of the Public Acts of 1976, as amended. The board may also appoint an executive committee, consisting of the chairperson and 2 other members, to carry on the active administrative duties of the airport authority, which executive committee shall hold office during the pleasure of the airport authority board. The airport authority board may also appoint an airport advisory committee whose duty shall be to advise the airport authority board in regard to technical problems of airport operation and in regard to state and federal policies. The airport authority board may also select and employ other officers and employees and engage services as shall be considered necessary. A member of the airport authority board shall serve without compensation but shall be reimbursed for actual expenses incurred in the discharge of official duties.

**History:** 1957, Act 206, Eff. Sept. 27, 1957;—Am. 1958, Act 216, Eff. Sept. 13, 1958;—Am. 1969, Act 32, Imd. Eff. July 10, 1969;—Am. 1978, Act 410, Imd. Eff. Sept. 28, 1978;—Am. 1982, Act 312, Imd. Eff. Oct. 14, 1982.

**Popular name:** Community Airport Authority Act

**259.626 Airport authority board; meetings; quorum; record; availability of writings to public; system of accounts; treasurer; bond; rules and policies.**

Sec. 6. After organization the airport authority board shall hold meetings at the call of the chairperson. The chairperson shall call a meeting upon request of 3 members of the board. A majority of the appointed members shall constitute a quorum. The board shall keep a written or printed record of each meeting, which record and any other writing prepared, owned, used, in the possession of, or retained by the board in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976, as amended, being sections 15.231 to 15.246 of the Michigan Compiled Laws. The board shall also provide for a system of accounts to conform to a uniform system required by law and for the auditing at least once a year of the accounts of the treasurer by a competent certified public accountant. The board shall require of the treasurer a suitable bond by a responsible bonding company, the bond to be paid for by the board. The airport advisory committee, with the approval of the airport authority board, shall adopt rules and policies governing the professional work of an airport and the eligibility and qualifications of the airport's staffs, which may conform, as nearly as practicable, to the applicable standards recommended by the American association of airport executives, the federal aviation administration, and the civil aeronautics board.

**History:** 1957, Act 206, Eff. Sept. 27, 1957;—Am. 1969, Act 32, Imd. Eff. July 10, 1969;—Am. 1978, Act 410, Imd. Eff. Sept. 28, 1978;—Am. 1982, Act 312, Imd. Eff. Oct. 14, 1982.

**Popular name:** Community Airport Authority Act

**259.627 Airport authority board; preparation, contents, and adoption of budget; determining fair and equitable share of each county, city, and township; appropriation by village; payment of sums certified by board; liability; reports.**

Sec. 7. (1) Not later than April 1 of each year the airport authority board shall prepare a budget containing an itemized statement of the estimated current expenses and the expenses for capital outlay, including the amount necessary to pay the principal and interest of any outstanding bonds or other obligations of the authority maturing during the ensuing fiscal year or which have previously matured and are unpaid, and an estimate of the estimated revenue of the airport authority from all sources for the ensuing fiscal year. Airport authorities consisting only of 2 or more counties shall have until September 1 of each year to prepare this budget. The board shall adopt such budget as shall be deemed necessary and shall ascertain what appropriations are required from the several counties, cities, townships, and villages to meet their respective shares of the amount of the budget in excess of the estimated revenues.

(2) In determining the fair and equitable share of each county, city, and township, the board shall establish the ratio that the state equalized valuation of each for the year in which the appropriation is required bears to the total state equalized valuation for the year in which the appropriation is required of all the counties, cities, and townships included in the airport authority and use the applicable ratio in determining the amount of appropriation required from a county, city, or township. Any village included in the airport authority shall appropriate its proportionate share of the amount apportioned to the township in which it is located, and in determining the division between the township and village, the amount of their respective state equalized valuations for the year the appropriation is required shall be used as the basis for the determination. The board shall certify to each participating county, city, township, and village the amount to be raised by them, and the respective counties, cities, townships, and villages shall include such amounts in their next ensuing budgets and shall pay the amounts so certified from any funds they have available or from the proceeds of a tax which they are authorized to levy, in an amount sufficient therefor, but not exceeding 1 mill. Payment of sums so certified shall be due and payable to the airport authority 120 days subsequent to the date upon which local taxes become due and payable in counties, cities, villages, and townships participating in the airport authority. Each county, city, township, and village shall be liable for the amount so certified.

(3) The board shall also render to each participating county, city, township, and village, on each July 1, during the operation of the airport a certified report of the operation of the airport. Each report shall state the condition of the finances, the amount of money expended, and the money received from all sources. The board shall also file a copy of the report with the department of treasury together with any other information the department of treasury may require. Within 30 days after the formation of any new airport authority, and annually on July 1 thereafter, the airport authority board shall file with the secretary of state a report as the secretary of state may require, showing the date of formation, the names of the member communities, and any other information as the report may call for.

**History:** 1957, Act 206, Eff. Sept. 27, 1957;—Am. 1969, Act 32, Imd. Eff. July 10, 1969;—Am. 1982, Act 312, Imd. Eff. Oct. 14, 1982;—Am. 1983, Act 182, Imd. Eff. Oct. 25, 1983.

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**259.627a Applicability of section; levy of ad valorem property tax; election; resolution; form of proposition; collection; certification; payment; expenses; adoption of budget; dissolution of authority.**

Sec. 7a. (1) This section applies only to an authority formed under this act that is composed of 1 county and another member or members all located wholly within the boundaries of that county. This section shall apply to such an authority in addition to any provisions of this act that are not inconsistent with this section, and in case of a conflict between this section and any other provisions of this act which are inconsistent with this section, this section shall prevail.

(2) Sections 4 and 7 shall not apply to an authority governed by this section, except that the revenue from the tax authorized to be levied pursuant to this section may be used for the same purposes described in section 4 for which the revenue may be used from a tax authorized to be levied pursuant to section 4. A member of the authority may voluntarily make an appropriation to the authority. The board of an authority governed by this section may levy an ad valorem property tax on taxable property within the county at a rate of not to exceed 1 mill upon approval of the majority of the qualified electors within the county voting on the question.

(3) An election on the question of whether to levy a tax authorized pursuant to subsection (2) may be called by resolution of the board of the authority. The secretary of the board of the authority shall file a copy of the resolution of the board calling the election with the county clerk, the county election scheduling committee, and the board of county election commissioners not less than 45 days before the date of the election. The resolution calling the election shall contain the proposition to be submitted to the electors. The calling of an election in the manner provided in this section, but prior to the effective date of this section, is ratified. Approval by the electors of a proposition in substantially the following form shall constitute authorization for the authority to impose the tax and to use the proceeds for any 1 or more of the purposes described in section 4:

“Shall the \_\_\_\_\_ Authority be authorized to levy upon property in \_\_\_\_\_ County a tax not to exceed \_\_\_\_\_ mill (\$\_\_\_\_\_ per \$1,000.00) in any 1 year, on assessed valuation as finally equalized, to be used to assist in acquiring, constructing, improving, enlarging, owning, maintaining, and operating property and facilities at \_\_\_\_\_ Airport(s)?

Yes \_\_\_\_\_  
No \_\_\_\_\_”.

The county clerk, each city and township clerk, and all other county, city, and township officials, shall undertake those steps to properly submit the proposition to the electors in the county at the election specified in the resolution of the authority. The election shall be conducted and canvassed in accordance with the Michigan election law, Act No. 116 of the Public Acts of 1954, being sections 168.1 to 168.992 of the Michigan Compiled Laws. The results of the election shall be certified to the board of the authority promptly after the date of the election. The authority shall not call more than 1 election within a calendar year for the approval of the tax authorized by subsection (2) without the approval of the legislative bodies of a majority of the members of the authority. If no election or nomination to any state, county, district, or other local office is on the ballot in a given political subdivision within the county on the day of the election regarding the airport authority proposition, and if in that subdivision there is no ballot proposition, proposal, or question submitted by that subdivision, the authority shall pay all, or if the authority proposition is not the only proposition, proposal, or question before the electorate, a pro rata portion of the reasonable costs of the election incurred by that political subdivision as determined by the county clerk.

(4) The tax authorized by this section shall be levied and collected as are all ad valorem property taxes in the state, and the secretary of the board of the authority shall at the appropriate times certify to the proper tax assessing or collecting officers of each city and township in the county the amount of taxes to be levied and collected each year for the authority by each city and township. The board of the authority shall determine on which tax roll of the city or township, if there is more than 1 roll, that the tax authorized by this section shall be collected. However, the tax shall not be levied on a July tax roll unless certified by the authority not later than the immediately preceding June 15, and shall not be levied on a December tax roll unless certified not later than the immediately preceding October 1, except that a tax authorized by this section and approved at an election held on November 3, 1987, may be levied on a December 1987 tax roll. Each tax assessing and collecting officer shall levy and collect the taxes certified by the authority and pay those taxes to the county treasurer in accordance with the same schedule as is applicable pursuant to section 43 of the general property tax act, Act No. 206 of the Public Acts of 1893, being section 211.43 of the Michigan Compiled Laws, with respect to the delivery of county taxes. The county treasurer shall account for and deliver to the authority the tax collections for authority purposes, received by the county treasurer from local collecting officers, within



10 business days after the county treasurer receives the funds. If a tax is certified for levy on a December 1987 tax roll, the reasonable and actual expenses incurred by a township, county, or city in assessing and collecting the tax on that roll, to the extent these expenses are in addition to the expense of collection and assessing any other taxes at the same time and exceed the amount of any fees imposed for the collection of the tax, shall be billed to and paid by the authority.

(5) The budget of the authority, other than the first budget, shall be adopted before commencement of the fiscal year to which the budget relates.

(6) The resolution creating the airport authority may establish or may have established conditions under which the authority shall be dissolved.

**History:** Add. 1987, Act 153, Imd. Eff. Oct. 29, 1987.

**Popular name:** Community Airport Authority Act

**259.628 Airport authority board; self-liquidating bonds; issuance; liability; amount required of municipality as revenues of authority; sale of bonds; petition for referendum; resolution; election; ballots; governing bodies as board of canvassers; certification of election results.**

Sec. 8. For the purpose of acquiring, purchasing, constructing, improving, enlarging, or repairing such community airports, the airport authority board may issue self-liquidating bonds of the authority in accordance with Act No. 94 of the Public Acts of 1933, as amended, being sections 141.101 to 141.139 of the Michigan Compiled Laws. The bonds shall not impose any liability upon the counties, cities, villages, and townships included in the airport authority, other than on the amounts which are assessed against the respective municipalities as provided for by this act, which amounts or any portion thereof may be pledged by the governing body of the airport authority for the payment of the bonds for a period not exceeding 40 years. The amount herein required to be paid by any municipality under the provisions of this act shall be considered to be a part of the revenues of the airport authority as that term is defined in section 3(f) of Act No. 94 of the Public Acts of 1933, as amended, being section 141.103 of the Michigan Compiled Laws. The bonds shall be sold for not less than par and shall bear interest at a rate not in excess of the maximum rate permitted under section 12 of Act No. 94 of the Public Acts of 1933, as amended, being section 141.112 of the Michigan Compiled Laws. If a petition for referendum is filed with the secretary of the airport authority in accordance with the provisions of section 33 of Act No. 94 of the Public Acts of 1933, as amended, being section 141.133 of the Michigan Compiled Laws, the governing body of the airport authority shall adopt a resolution establishing the date of the election, which shall be not less than 60 days nor more than 90 days after the adoption of the resolution. The secretary of the authority, within 5 days after the adoption of the resolution, shall transmit a certified copy of the resolution to the governing body of each member community. The governing bodies of the member communities immediately shall provide for an election in accordance with the resolution passed by the authority, in which the question of issuing the bonds and pledging the authority's revenues, including all or any part of the amounts assessed against the respective municipalities as provided for by this act, shall be submitted. The ballots for use in the election shall be provided by the authority and the election shall be conducted in the respective communities except that if any part or all of a village belonging to an airport authority is located in a township belonging to the same authority, the township election shall include that part of the village located in it and the village shall not be required to hold an election except in that portion of the village not located in a township belonging to the authority. The governing bodies of the member communities shall act as a board of canvassers and shall certify the results of the election to the airport authority board, within 5 days after the date of the election, on forms provided by the airport authority. The airport authority board shall compile and tabulate the vote as required from the member communities and certify the result of the election by resolution upon the records of the authority. A majority of the total valid votes cast at such an election voting "yes" on the question submitted shall constitute an approval of the issuance of the bonds.

**History:** 1957, Act 206, Eff. Sept. 27, 1957;—Am. 1969, Act 32, Imd. Eff. July 10, 1969;—Am. 1982, Act 312, Imd. Eff. Oct. 14, 1982.

**Popular name:** Community Airport Authority Act

**259.628a Violation of MCL 168.1 to 168.992 applicable to petitions; penalties.**

Sec. 8a. A petition under section 8, including the circulation and signing of the petition, is subject to section 488 of the Michigan election law, 1954 PA 116, MCL 168.488. A person who violates a provision of the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, applicable to a petition described in this section is subject to the penalties prescribed for that violation in the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

**History:** Add. 1998, Act 174, Eff. Mar. 23, 1999.

**Popular name:** Community Airport Authority Act

**259.629 Airport authority board; borrowing money and issuing notes; maturity; purpose; resolution; notes issued subject to MCL 141.2101 to 141.2821.**

Sec. 9. The airport authority board operating any airport under the provisions of this act, by resolution adopted by a majority vote of the entire governing board, may borrow money and issue notes, maturing not more than 1 year from the date of their issuance. Borrowing pursuant to this section shall be for the purpose of meeting current expenses of operation and maintenance of the airport. The resolution shall provide for the pledging of income and revenues of the airport authority not previously pledged for the payment of the notes and shall also provide for a special sinking fund into which there shall first be paid, as collected, a sufficient sum from the revenues of the airport authority pledges to retire both the principal and interest of the notes at maturity. The resolution may also provide for the pledging of other assets of the airport authority as additional security for the payment of the notes. Notes issued under this section are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

**History:** 1957, Act 206, Eff. Sept. 27, 1957;—Am. 1982, Act 312, Imd. Eff. Oct. 14, 1982;—Am. 2002, Act 301, Imd. Eff. May 9, 2002.

**Popular name:** Community Airport Authority Act

**259.630 Airport authority board; purchase, lease, or acceptance of property; condemnation of private property; powers of board; taxation of buildings or personal property located on community airport; taxes due as debt.**

Sec. 10. (1) For the purposes of the authority, the airport authority board may purchase, lease, accept by gift or devise real or personal property, or condemn private property. Condemnation shall be exercised by the authority in the same manner as provided the state aeronautics commission by section 104 of Act No. 327 of the Public Acts of 1945, being section 259.104 of the Michigan Compiled Laws, or under such other appropriate acts as shall be passed for the purpose of instituting and prosecuting condemnation proceedings for airport or landing field purposes. The authority board may sell, exchange, lease, hold, manage, and control such property. It may convey its property or any part thereof without monetary consideration to a nonprofit corporation organized for the purpose of owning, maintaining, and operating a public airport or permit the use of such property by such corporation. The conveyance or permission for use shall be upon condition that the corporation maintain and operate an airport upon any land so conveyed or use of which is permitted, and that the corporation shall conform to the rules and standards provided by Act No. 327 of the Public Acts of 1945, as amended, being sections 259.1 to 259.208 of the Michigan Compiled Laws. If land is acquired by condemnation, the provisions of Act No. 87 of the Public Acts of 1980, as amended, being sections 213.51 to 213.76 of the Michigan Compiled Laws, shall be adopted and used for the purpose of instituting and prosecuting the condemnation proceedings.

(2) All buildings or personal property located on the community airport may be taxed in the same manner as taxes assessed to owners of real property, except that such taxes shall not become a lien against the property. When due, such taxes shall constitute a debt due from the owner of the buildings or personal property to the township, city, village, county, and school district in which the airport is located and shall be recoverable by direct action of assumpsit.

**History:** 1957, Act 206, Eff. Sept. 27, 1957;—Am. 1958, Act 216, Eff. Sept. 13, 1958;—Am. 1969, Act 32, Imd. Eff. July 10, 1969;—Am. 1982, Act 312, Imd. Eff. Oct. 14, 1982.

**Popular name:** Community Airport Authority Act

**Administrative rules:** R 259.201 et seq. of the Michigan Administrative Code.

**259.631 Community airport; definition.**

Sec. 11. As used in this act, “community airport” means any location, either on land or water, which is used for the landing or take-off of aircraft, which provides facilities for the shelter, supply or care of aircraft, or for receiving or discharging passengers or cargo, and all appurtenant areas used or suitable for airport buildings or other airport facilities, all appurtenant rights of way and runway clear zones as designated by the civil aeronautics authority, whether heretofore or hereafter established.

**History:** 1957, Act 206, Eff. Sept. 27, 1957.

**Popular name:** Community Airport Authority Act