

STATE OF MICHIGAN
93RD LEGISLATURE
REGULAR SESSION OF 2005

Introduced by Rep. Kooiman

ENROLLED HOUSE BILL No. 4993

AN ACT to amend 1986 PA 196, entitled "An act to authorize the formation of public transportation authorities with certain general powers and duties; to provide for the withdrawal of certain local entities from public transportation authorities; to authorize certain local entities to levy property taxes for public transportation service and public transportation purposes; to protect the rights of employees of existing public transportation systems; to provide for the issuance of bonds and notes; to provide for the pledge of taxes, revenues, assessments, tax levies, and other funds for bond or note payment; to provide for the powers and duties of certain state agencies; to validate taxes authorized before July 10, 1986, elections held before July 10, 1986, and bonds and notes issued before July 10, 1986; to provide for transfer of certain tax revenue and certain powers, rights, duties, and obligations; to authorize condemnation proceedings; to grant certain powers to certain local entities; to validate and ratify the organization, existence, and membership of public transportation authorities created before July 10, 1986 and the actions taken by those public transportation authorities and by the members of those public transportation authorities; and to prescribe penalties and provide remedies," by amending section 18 (MCL 124.468).

The People of the State of Michigan enact:

Sec. 18. (1) A public authority formed under this act may levy a tax on all of the taxable property within the limits of the public authority for public transportation purposes as authorized by this act.

(2) The tax authorized in subsection (1) shall not exceed 5 mills of the state equalized valuation on each dollar of assessed valuation of taxable property within the limits of the applicable public authority.

(3) The tax authorized under subsection (1) shall not be levied except upon the approval of a majority of the registered electors residing in the public authority affected and qualified to vote and voting on the tax at a general or special election. The election may be called by resolution of the board of the public authority. The recording officer of the public authority shall file a copy of the resolution of the board calling the election with the clerk of each affected county, city, or township not less than 60 days before the date of the election. The resolution calling the election shall contain a statement of the proposition to be submitted to the electors. Each county, city, and township clerk and all other county, city, and township officials shall undertake those steps to properly submit the proposition to the electors of the county, city, and township at the election specified in the resolutions of the public authority. The election shall be conducted and canvassed in accordance with the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, except that if the public authority is located in more than 1 county, the election shall be canvassed by the state board of canvassers. The results of the election shall be certified to the board of the public authority promptly after the date of the election. Not more than 1 election may be held in a public authority in a calendar year for approval of the tax authorized under

subsection (1). If the election is a special election, the public authority in which the election is held shall pay its share of the costs of the election.

(4) Except as otherwise provided in this subsection, 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 public authority in the resolution calling the election and as set forth in the proposition submitted to the electors. For a public authority located in a county that has a population greater than 500,000 and less than 750,000, taxes may be levied at a rate and for a period of not more than 25 years as determined by the public authority in the resolution calling the election and as set forth in the proposition submitted to the electors if the public authority seeking the levy is seeking the levy for public transit services that include a fixed guideway project authorized under 49 USC 5309.

(5) The tax rate authorized by this section shall be levied and collected as are all ad valorem property taxes in the state and the recording officer of the public 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. Consistent with subsection (6), the board of the public authority shall determine on which tax roll, if there be more than 1, of each 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 public authority and pay those taxes to the public 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 public authority as a part of the first tax roll of the appropriate counties, cities, and townships occurring after the election described in subsection (3). The tax may be levied and collected on the July or December tax roll next following the date of election, if the tax is certified to the proper tax assessing officials not later than May 15 or September 15, respectively, of the year in which the election is held.

(6) A public authority which is authorized to impose a July property tax levy and if it determines to do so, it shall negotiate agreements with the appropriate cities and townships for the collection of that levy. If a city or township and the public authority fail to reach an agreement for the collection by the city or township of the July property tax levy of the public authority, the public authority then may negotiate, until April 1, a proposed agreement with the county treasurer to collect its July property tax levy against property located in that city or township. If the county treasurer and the public authority fail to reach an agreement for the collection by the county of the July property tax levy of the public authority, the July property tax levy shall be collected with the December property tax levy. Any agreement negotiated under this subsection shall guarantee the collecting unit its reasonable expenses. The provisions of this subsection shall not apply to a city or township which is levying a July property tax.

(7) If, pursuant to subsection (6), the public authority has reached a proposed agreement with a county treasurer on the collection of its July property tax levy against property located in a city or township with which an agreement to collect this levy could not be made pursuant to subsection (6), the public authority shall notify by April 15 that city or township of the terms of that fact and the city or township shall have 15 days in which to exercise an option to collect the public authority's July property tax levy.

(8) Collection of all or part of a public authority's property tax levy by a treasurer pursuant to subsection (6) or (7) shall comply with all of the following:

(a) Collection shall be either 1/2 or the total of the property tax levy against the properties, as specified for that year in the resolution of the public authority.

(b) The amount the public authority has agreed to pay as reasonable collection expenses shall be stated in writing and reported to the state treasurer.

(c) Taxes authorized to be collected shall become a lien against the property on which assessed, and due from the owner of that property, on July 1.

(d) Taxes shall be collected on or before September 14 and all taxes and interest imposed pursuant to subdivision (f) unpaid before March 1 shall be returned as delinquent on March 1. Taxes delinquent under this subdivision shall be collected pursuant to the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(e) Interest shall be added to taxes collected after September 14 at that rate imposed by section 59 of the general property tax act, 1893 PA 206, MCL 211.59, on delinquent property tax levies which became a lien in the same year.

(f) All or a portion of fees or charges, or both, authorized under section 44 of the general property tax act, 1893 PA 206, MCL 211.44, may be imposed on taxes paid before March 1 and shall be retained by the treasurer actually performing the collection of the July property tax levy of the public authority, regardless of whether all or part of these fees or charges, or both, have been waived by the township or city.

(9) An agreement for the collection of a July property tax levy of a public authority with a county treasurer shall include a schedule for delivering collections to the public authority.

(10) To the extent applicable and consistent with the requirements of this section, the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, shall apply to proceedings in relation to the assessment, spreading, and collection of taxes pursuant to this section. Additionally, in relation to the assessment, spreading, and collection of taxes pursuant to this section, the county treasurer shall have powers and duties similar to those prescribed by the general property tax act,

1893 PA 206, MCL 211.1 to 211.157, for township supervisors, township clerks, and township treasurers. However, this section shall not be considered to transfer any authority over the assessment of property.

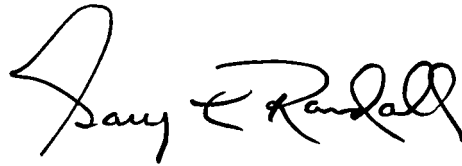
(11) If a county treasurer collects the July property tax levy of the public authority, the township or city shall deliver by June 1 a certified copy of the assessment roll containing state equalized valuations for each parcel of taxable property in the township or city to the treasurer collecting the July property tax levy of the public authority. The county treasurer receiving this certified copy of the assessment roll shall remit the necessary cost incident to the reproduction of the assessment roll to the township or city.

(12) A county treasurer collecting taxes pursuant to this section shall be bonded for tax collection in the same amount and in the same manner as a township treasurer would be for undertaking the duties prescribed by this section.

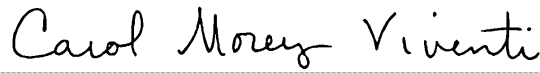
(13) An agreement for the collection of a July property tax levy between a public authority and a county may cover July collections for 2 years. If an agreement covers July collections for 2 years, the notice required by subsection (7) and the option to reconsider provided by subsection (7) shall not apply for July collections in the second year.

(14) If collections are made pursuant to this section by a county treasurer, all payments from a public authority for collecting its July property tax levy and all revenues generated from collection fees shall be deposited, when received or collected, in a fund, which fund shall be used by the county treasurer to pay for the cost of collecting the public authority's July property tax levy.

This act is ordered to take immediate effect.



.....
Clerk of the House of Representatives



.....
Secretary of the Senate

Approved

.....
Governor