

SUBSTITUTE FOR
HOUSE BILL NO. 4122

A bill to amend 1929 PA 312, entitled
"The metropolitan district act,"
by amending sections 3, 4, 7, 9, 9b, and 13 (MCL 119.3, 119.4,
119.7, 119.9, 119.9b, and 119.13), section 4 as amended by 2002 PA
410 and section 9b as added by 1998 PA 171, and by adding sections
2a, 17a, and 17b.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 2A. NOTWITHSTANDING ANY LAW OR CHARTER PROVISION TO THE
2 CONTRARY, BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT
3 THAT ADDED THIS SECTION, ALL ELECTIONS IN A METROPOLITAN DISTRICT
4 SHALL BE ADMINISTERED AND CONDUCTED UNDER THE PROVISIONS OF THE
5 MICHIGAN ELECTION LAW, 1954 PA 116, MCL 168.1 TO 168.992, AND ALL
6 ELECTIONS IN THE METROPOLITAN DISTRICT SHALL BE HELD ON A REGULAR
7 ELECTION DATE AS ESTABLISHED UNDER SECTION 641 OF THE MICHIGAN

1 **ELECTION LAW, 1954 PA 116, MCL 168.641.**

2 Sec. 3. Any district incorporated under the provisions of this
3 act shall in its charter provide:

4 (a) For the ~~nomination,~~ election or appointment of all
5 district officers, **INCLUDING THE TERM OF OFFICE FOR ALL DISTRICT**
6 **OFFICERS.** ~~Nominations and elections may be made in any manner not~~
7 ~~inconsistent with law and as the charter of any district may~~
8 ~~prescribe.~~

9 (b) For the ~~qualifications,~~ duties and compensation of its
10 officers; ~~for the time, manner and means of holding elections and~~
11 ~~the registration of electors,~~ for the keeping in the English
12 language a written or printed journal of every session of the
13 legislative body, which records shall be public; for publication of
14 ordinances before they become effective; for adopting, continuing,
15 amending, or repealing of ordinances; for a system of accounts
16 which ~~shall conform~~ **CONFORMS** to any uniform system required by law;
17 for the levy, collection, and return of taxes for district
18 purposes; and for the annual appropriation of money for district
19 purposes. ~~Provided,~~ All taxes and appropriations shall be levied,
20 collected, and returned through the proper assessing and taxation
21 officer or officers of each city, village, or township or parts of
22 same comprising ~~said~~ **THE** metropolitan district in the same manner
23 as near as may be that other city, village, or township taxes are
24 levied, collected, and returned. The district legislative body or
25 other officer or officers charged with ~~such~~ **THE** duty shall
26 ascertain the total taxes or appropriation required for any year
27 and shall ~~thereupon~~ certify to the proper assessing officer or

1 officers of the city, village, or township or parts of same
2 comprising ~~said~~**THE** district its proportionate share thereof based
3 upon the ratio that the total assessed valuation of each respective
4 city, village, or township, or parts of same, bears to the total
5 assessed value of all property real and personal in ~~said~~**THE** entire
6 district according to the last assessment in each of ~~said~~**THE**
7 respective units. ~~Such~~**THE** sum ~~so~~certified shall be a direct
8 obligation of each city, village, or township or part of same and
9 shall be paid to the metropolitan district on or before the next
10 tax payment period. ~~Said~~**THE** sum shall be levied, collected, and
11 returned by each city, village, or township in the same manner as
12 other general taxes.

13 (c) For a sinking fund as provided by any general law
14 applicable to cities.

15 (d) That the subjects of taxation for district purposes shall
16 be the same as for state, county, and school purposes under the
17 general law. ~~Provided, however, That~~**HOWEVER**, the provisions of
18 this section as to taxes and the levy, collection, and return
19 ~~thereof~~**OF THE TAXES** shall not apply to or be required in the
20 charter of any metropolitan district incorporated for the purpose
21 of the purchase, acquisition, or construction of any project or
22 projects, or improving, enlarging, extending, or repairing thereof,
23 authorized under the provisions of ~~Act No. 94 of the Public Acts of~~
24 ~~1933, as amended,~~**THE REVENUE BOND ACT OF 1933, 1933 PA 94, MCL**
25 **141.101 TO 141.140**, but ~~said~~**THE** charter shall contain provisions
26 relative to the issuance of revenue bonds as in ~~said~~**THE** act
27 provided.

1 Sec. 4. Each district incorporated under the provisions of
2 this act may provide in its charter for 1 or more of the following:

3 (a) For annually levying and collecting taxes in a sum not to
4 exceed 1/2 of 1% of the assessed value of all real and personal
5 property in the district.

6 (b) For borrowing money on the credit of the district in a sum
7 not to exceed 2% of the assessed value of all real and personal
8 property in the district for the purpose of acquiring, owning,
9 purchasing, constructing, maintaining, or operating parks or public
10 utilities, for supplying sewage disposal, drainage, water, or
11 transportation, or any combination of these. A district may borrow
12 money and issue bonds for any of the purposes described in this
13 subdivision that will impose no liability upon the district but may
14 be paid and secured only by special assessment levied against each
15 parcel for the particular public improvement and for the payment of
16 the bonds that are issued. A district incorporated under the
17 provisions of this act, may, for the purpose of acquiring, owning,
18 purchasing, constructing, or operating any public utility described
19 in this subdivision, issue mortgage bonds that may be issued beyond
20 the general limit of bonded indebtedness prescribed by this act. A
21 mortgage bond issued beyond the general limits of bonded
22 indebtedness shall not impose any liability upon the district but
23 shall be secured only upon the property and revenues of the public
24 utility, including the franchise, stating the terms upon which, in
25 case of foreclosure, the purchaser may operate the public utility,
26 which franchise shall in no case extend for a longer period than 20
27 years from the date of the sale of the utility and franchise on

1 foreclosure. A mortgage bond shall be sold for not less than par,
2 bear interest at a rate not in excess of 6%, and the total amount
3 shall not exceed 60% of the original cost of the utility. The
4 charter of any district shall provide for the creation of a sinking
5 fund by setting aside a percentage of the gross or net earnings of
6 the public utility as may be deemed sufficient for the payment of
7 the mortgage bonds at maturity.

8 (c) For a lien on any property and for taxes for the payment
9 of any bonds issued or for the cost and expense of making any
10 improvement described in this section.

11 (d) For laying and collecting rents, tolls and excises.

12 (e) For a special assessment district to provide for the cost
13 and expense of any park or public utility, or combination of a park
14 and public utility, as provided in this section.

15 (f) For the purchase or condemnation of the franchises, if any
16 exist, and of the property used in the operation of companies or
17 individuals engaged in or operating public utilities for supplying
18 sewage disposal, drainage, water, or transportation, or any
19 combination of these. Each district may in its charter provide that
20 it may make a contract upon the terms, including terms of present
21 or deferred payment and upon the conditions and in the manner as
22 the district may consider proper, to purchase, operate, and
23 maintain any existing public utility property for supplying sewage
24 disposal, drainage, water, or transportation, or any combination of
25 these within or without its limits. If without its limits, the
26 purchase must be incidental to the operation and maintenance of the
27 public utility. A contract shall not bind the district unless the

1 proposition on the contract shall receive the affirmative vote of
2 3/5 of the electors voting on the proposition at a regular or
3 special election. In the event of any such purchase, the charter
4 amendment and the contract to purchase shall provide for the
5 creation of a sinking fund, into which shall be paid from time to
6 time, from the earnings of the utility, sums sufficient to insure
7 the payment of the purchase price and the performance of the
8 obligations of the contract to the end that the entire cost of the
9 public utility shall eventually be paid from its earnings. The
10 powers in this subdivision are in addition to the other powers
11 provided for in this act, and the exercise of these powers shall
12 not impair or affect the right to exercise any other powers.

13 (g) For the purchase, gift, or condemnation of private
14 property for any public use or purpose provided for and within the
15 scope of its power. If by condemnation, the provisions of 1911 PA
16 149, MCL 213.21 to 213.25, or other appropriate provisions may be
17 adopted and used for the purpose of instituting and prosecuting
18 condemnation proceedings.

19 (h) For the initiative and referendum on all matters within
20 the scope of its powers. ~~and for the recall of all its officials.~~

21 (i) For altering, amending, or repealing any charter affecting
22 the district.

23 (j) For the enforcement of all local, police, sanitary, and
24 other regulations as are not in conflict with the general laws of
25 this state.

26 (k) For a system of civil service.

27 (l) For the exercise of all district powers in the management

1 and control of district property and in the administration of
2 metropolitan district government, whether the powers are expressly
3 enumerated or not. For any act to advance the interest of the
4 district and the good government and prosperity of the district and
5 to pass all laws and ordinances relating to its concerns subject to
6 the constitution and general laws of this state. The power to
7 acquire a rapid transit system is expressly conferred by this act,
8 which may consist of a tunnel, subway, surface, or elevated system,
9 or any combination of these. A rapid transit system shall be
10 considered to be transportation within the meaning of this act and
11 the provisions relating to other public utilities shall also apply.

12 (m) A revenue bond issued under this act is subject to the
13 revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140. All
14 bonds issued under this act, other than revenue bonds, are subject
15 to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to
16 141.2821.

17 Sec. 7. The charter commission shall proceed to adopt a name
18 for ~~said~~**THE** district and frame a charter for ~~said~~**THE** district as
19 soon thereafter as practicable. ~~It~~**THE COMMISSION** shall determine
20 the rules of its proceedings and keep a journal. A roll call of its
21 members on any question shall be entered on the journal at the
22 request of any member. ~~It shall provide the manner of nominating~~
23 ~~the candidates for the first elective officers, if any, provided in~~
24 ~~the proposed charter. It~~**THE COMMISSION** shall fix the date of the
25 first district election. ~~and do and provide all other things~~
26 ~~necessary for making such nominations and holding such elections.~~
27 ~~Such election may be held on the same date as a general, special or~~

1 ~~primary election. It~~ **THE FIRST DISTRICT ELECTION SHALL BE HELD ON A**
2 **REGULAR ELECTION DATE AS ESTABLISHED UNDER SECTION 641 OF THE**
3 **MICHIGAN ELECTION LAW, 1954 PA 116, MCL 168.641. THE COUNTY CLERK**
4 **OF THE COUNTY IN WHICH THE LARGEST NUMBER OF REGISTERED ELECTORS OF**
5 **THE METROPOLITAN DISTRICT RESIDE** shall publish ~~such~~ **THE** proposed
6 charter in 1 or more newspapers published in ~~said~~ **THE** district at
7 least once and not less than 2 weeks and not more than 4 weeks
8 ~~preceding said~~ **BEFORE THE** election, together with a notice of ~~said~~
9 **THE** election, and that on the date fixed ~~therefor~~ **FOR THE ELECTION**
10 the question of adopting ~~such~~ **THE** proposed charter will be voted
11 on, and that the elective officers provided for therein will be
12 elected on the same date. Notice of ~~such~~ **THE** election shall also be
13 posted in at least 10 public places within each city, village, or
14 township in ~~said~~ **THE** proposed district not less than 10 days ~~prior~~
15 ~~to such~~ **BEFORE THE** election. ~~Said commission shall provide for~~
16 ~~polling places for said election and all other election~~
17 ~~requirements through the regularly constituted officers for~~
18 ~~conducting elections in each city, village and township who shall~~
19 ~~appoint the inspectors of said election and the canvassing board of~~
20 ~~3 electors to canvass the votes at such election and shall conduct~~
21 ~~said elections as near as may be in the manner of any regular~~
22 ~~election. Said~~ **THE** commission shall have authority to study the
23 area proposed to be included in ~~said~~ **THE** metropolitan district and
24 submit recommendations to the legislative bodies of any city,
25 village, or township to amend its original resolution in regards to
26 same. ~~Said~~ **THE** charter shall state with certainty the territory
27 proposed to be included.

1 Sec. 9. Except as provided in section 9a, a metropolitan
2 district charter passed pursuant to this act may be amended ~~in the~~
3 ~~manner following:~~ **AS PROVIDED IN THIS SECTION.** An amendment may be
4 proposed by the legislative body of the district on a 3/5 vote of
5 the members or by an initiatory petition as provided in this act. ~~7~~
6 ~~and if~~ **IF** the amendment is proposed by the legislative body of the
7 district, then the amendment shall be submitted to the electors of
8 the ~~city, village, or township comprising the~~ district as provided
9 in this act at the next ~~primary, regular, or special~~ election held
10 in the ~~city, village, or township which shall occur~~ **DISTRICT THAT**
11 **OCCURS** not less than ~~30~~ **84** days after the proposal of the
12 amendment. ~~7, and if~~ **IF** the amendment is proposed by the initiatory
13 petition as provided in this act, then the amendment shall be
14 submitted to the electors of the ~~city, village, or township~~
15 **DISTRICT** as provided in this act at the next ~~primary, regular, or~~
16 ~~special~~ election held in the district ~~which shall occur~~ **THAT OCCURS**
17 not less than ~~40~~ **84** days after the filing of the petitions. The
18 form in which the proposed amendment to a district charter shall be
19 submitted on the ballot unless provided for in the initiatory
20 petition shall be determined by resolution by the legislative body,
21 and when provided for by the initiatory petition, the legislative
22 body may add that explanatory matter as it considers advisable.

23 Sec. 9b. A petition under section 9a, ~~or~~ **13, OR 17A,** including
24 the circulation and signing of the petition, is subject to section
25 488 of the Michigan election law, 1954 PA 116, MCL 168.488. A
26 person who violates a provision of the Michigan election law, 1954
27 PA 116, MCL 168.1 to 168.992, applicable to a petition described in

1 this section is subject to the penalties prescribed for that
2 violation in the Michigan election law, 1954 PA 116, MCL 168.1 to
3 168.992.

4 Sec. 13. The initiatory petition ~~herein~~ referred to **IN THIS**
5 **ACT** shall be addressed to and filed with the secretary or clerk of
6 the metropolitan district ~~wherein~~ **WHERE** the territory is located.
7 ~~Such~~ **THE** petition shall state ~~what~~ **THE** body or organization, if
8 any, or if **THERE IS** no body or organization, then ~~what~~ **THE** person
9 or persons **WHO** are primarily interested in and responsible for the
10 circulation of ~~such~~ **THE** petition or petitions and the securing of
11 ~~such~~ **THE** amendment or amendments. ~~Such~~ **THE** petitions shall be
12 verified by the affidavit or affidavits of the person or persons
13 who obtained the signatures and shall be signed by a number of
14 registered electors equal to ~~5 per centum~~ **5%** of the highest vote
15 cast for the highest elective officer whose vote can be ascertained
16 at the last district election. ~~Such~~ **THE** verification shall state
17 that the petitions were circulated at the request of and pursuant
18 to the directions of the association, organization, person, or
19 persons desiring the ~~said~~ amendment. ~~and~~ **THE VERIFICATION** shall
20 also state that ~~such~~ **THE** signatures were obtained by the persons ~~so~~
21 verifying ~~said~~ **THE** petition, ~~+~~ that ~~such~~ **THE** signatures are the
22 signatures of the persons purporting to sign the ~~same~~ **PETITION**, and
23 that each of them signed in his **OR HER** presence and that the person
24 verifying ~~such~~ **THE** petition has good reason to believe and ~~verily~~
25 does believe that the signers obtained ~~thereto~~ are duly qualified
26 and registered electors of ~~such~~ **THE** district and are the identical
27 persons their signatures purport to be. Within ~~15~~ **14** days from the

1 date of the receipt of any ~~such~~ **INITIATORY** petition, the secretary
2 or clerk shall check over the names on ~~such~~ **THE** petition with the
3 registration rolls of the territory affected or in some other
4 proper manner determine whether the petitioners are duly qualified
5 and registered voters of the district whose charter is to be
6 affected by ~~such~~ **THE** amendment. ~~, and if~~ **IF** it shall ~~appear~~ **APPEARS**
7 that the number of duly qualified and registered electors signing
8 ~~such~~ **THE** petition equals or exceeds ~~5 per centum~~ **5%** of the total
9 vote cast for the highest elective officer whose vote can be
10 ascertained at the last district election and in all other respects
11 conforms to the provisions of this section, he **OR SHE** shall certify
12 to ~~such~~ **THOSE** facts and report the same to the legislative body of
13 the district. If he ~~shall find~~ **OR SHE FINDS** that there are less
14 than the required number, he **OR SHE** shall report ~~such~~ **THAT** fact **TO**
15 **THE LEGISLATIVE BODY OF THE DISTRICT** and no further action upon
16 ~~such~~ **THE** petitions shall be had. ~~When such petition shall conform~~
17 ~~to this act, it shall be the duty of the clerk of each city,~~
18 ~~village and township comprising the district within 60 days of the~~
19 ~~date of the filing of such petition to call a special election, the~~
20 ~~same to be held not less than 90 days or more than 100 days after~~
21 ~~the date of filing such petition unless a primary or regular~~
22 ~~election shall occur or a special election shall have been called~~
23 ~~for other purposes to be held within 100 days after the date of the~~
24 ~~filing of such petitions. In that event, the proposal shall be~~
25 ~~submitted at such primary, regular or special election and no~~
26 ~~special election shall be so called.~~ **IF THE PETITION CONFORMS TO**
27 **THIS ACT, THE LEGISLATIVE BODY OF THE METROPOLITAN DISTRICT SHALL**

1 SUBMIT THE BALLOT QUESTION TO THE METROPOLITAN DISTRICT ELECTORS AS
2 PROVIDED IN SECTION 389 OF THE MICHIGAN ELECTION LAW, 1954 PA 116,
3 MCL 168.389. Other proposals, whether initiated by petition as
4 ~~hereinbefore provided IN THIS SECTION~~, or proposed by the
5 legislative body, within the times respectively within this act
6 provided, may be submitted at ~~such special election. No proposal~~
7 ~~submitted to the electors by the initiative and receiving an~~
8 ~~affirmative majority of the votes cast thereon in each city,~~
9 ~~village and township comprising said district shall be held~~
10 ~~unconstitutional, invalid or void on account of the insufficiency~~
11 ~~of the petition by which submission of the same was procured.~~
12 ~~Provided, That each signer of such initiatory petition shall~~
13 ~~inscribe upon such petition immediately after his signature the~~
14 ~~date of signing and his street address.~~ TO THE METROPOLITAN DISTRICT
15 ELECTORS AS PROVIDED IN SECTION 389 OF THE MICHIGAN ELECTION LAW,
16 1954 PA 116, MCL 168.389.

17 SEC. 17A. (1) IN ADDITION TO THE METHOD FOR DISSOLVING A
18 METROPOLITAN DISTRICT AS PROVIDED IN SECTION 16, THE DISSOLUTION OF
19 A METROPOLITAN DISTRICT MAY BE INITIATED BY A PETITION SIGNED BY
20 NOT LESS THAN 5% OF THE REGISTERED ELECTORS RESIDING IN THE
21 METROPOLITAN DISTRICT. THE PETITION SHALL BE FILED WITH THE COUNTY
22 CLERK OF THE COUNTY IN WHICH THE LARGEST NUMBER OF REGISTERED
23 ELECTORS IN THE METROPOLITAN DISTRICT RESIDE AS PROVIDED IN SECTION
24 646A(2) OF THE MICHIGAN ELECTION LAW, 1954 PA 116, MCL 168.646A.
25 THE BALLOT QUESTION PROPOSING THE DISSOLUTION OF THE METROPOLITAN
26 DISTRICT SHALL BE SUBMITTED TO THE ELECTORS IN THE METROPOLITAN
27 DISTRICT AT THE NEXT REGULAR ELECTION HELD IN THE METROPOLITAN

1 DISTRICT THAT OCCURS NOT LESS THAN 84 DAYS AFTER THE FILING OF THE
2 PETITION.

3 (2) THE BALLOT QUESTION LANGUAGE FOR THE PROPOSED DISSOLUTION
4 OF THE METROPOLITAN DISTRICT SHALL BE IN SUBSTANTIALLY THE
5 FOLLOWING FORM ON THE BALLOT:

6 "SHALL THE _____ BE DISSOLVED?
7 (LEGAL NAME OF METROPOLITAN DISTRICT)

8 YES (___)

9 NO (___)."

10 (3) IF A MAJORITY OF THE ELECTORS IN THE METROPOLITAN DISTRICT
11 VOTING AT THE ELECTION APPROVE OF THE DISSOLUTION OF THE
12 METROPOLITAN DISTRICT, THE METROPOLITAN DISTRICT SHALL BE DISSOLVED
13 WITHIN 2 YEARS AFTER THE ELECTION AS PROVIDED IN SECTION 17B.

14 SEC. 17B. (1) IF THE DISSOLUTION OF A METROPOLITAN DISTRICT IS
15 APPROVED UNDER SECTION 17A, THE LEGISLATIVE BODY OF THE
16 METROPOLITAN DISTRICT IS IMMEDIATELY DISSOLVED AND THE POWERS AND
17 DUTIES OF THE LEGISLATIVE BODY OF THE METROPOLITAN DISTRICT ARE
18 TRANSFERRED TO THE 5-MEMBER BOARD OF TRUSTEES AS PROVIDED IN
19 SUBSECTION (2). IN ADDITION, ALL OF THE ASSETS AND LIABILITIES OF
20 THE METROPOLITAN DISTRICT ARE TRANSFERRED TO THE THE 5-MEMBER BOARD
21 OF TRUSTEES AS PROVIDED IN SUBSECTION (2).

22 (2) WITHIN 30 DAYS AFTER THE ELECTION APPROVING OF THE
23 DISSOLUTION OF THE METROPOLITAN DISTRICT, THE PRESIDING OR SENIOR
24 JUDGE OF PROBATE OF THE COUNTY IN WHICH THE LARGEST NUMBER OF
25 REGISTERED ELECTORS OF THE METROPOLITAN DISTRICT RESIDE, THE COUNTY
26 CLERK OF THE COUNTY IN WHICH THE LARGEST NUMBER OF REGISTERED
27 ELECTORS OF THE METROPOLITAN DISTRICT RESIDE, AND THE PROSECUTING

1 ATTORNEY OF THE COUNTY IN WHICH THE LARGEST NUMBER OF REGISTERED
2 ELECTORS OF THE METROPOLITAN DISTRICT RESIDE SHALL APPOINT A 5-
3 MEMBER BOARD OF TRUSTEES COMPOSED OF THE FOLLOWING MEMBERS WHO
4 SHALL DISSOLVE THE METROPOLITAN DISTRICT:

5 (A) TWO MEMBERS WHO ARE ELECTED COUNTY OFFICERS FROM THE
6 COUNTY IN WHICH THE LARGEST NUMBER OF REGISTERED ELECTORS OF THE
7 METROPOLITAN DISTRICT RESIDE.

8 (B) TWO MEMBERS WHO ARE ELECTED CITY, TOWNSHIP, OR VILLAGE
9 OFFICERS FROM A CITY, TOWNSHIP, OR VILLAGE IN THE METROPOLITAN
10 DISTRICT.

11 (C) ONE MEMBER WHO IS A CITIZEN RESIDING IN THE METROPOLITAN
12 DISTRICT.

13 (3) WITHIN 2 YEARS AFTER THE ELECTION APPROVING THE
14 DISSOLUTION OF THE METROPOLITAN DISTRICT, THE 5-MEMBER BOARD OF
15 TRUSTEES AS PROVIDED IN SUBSECTION (2) SHALL DO ALL OF THE
16 FOLLOWING IN ORDER TO DISSOLVE THE METROPOLITAN DISTRICT:

17 (A) PREPARE OR CAUSE TO BE PREPARED THE FINANCIAL REPORT AS
18 DESCRIBED IN SECTION 17(1)(B). A COPY OF THE FINANCIAL REPORT SHALL
19 BE PROVIDED TO THE LEGISLATIVE BODY OF EACH CITY, TOWNSHIP, AND
20 VILLAGE IN THE METROPOLITAN DISTRICT.

21 (B) PREPARE A PLAN FOR THE DISPOSITION OF THE ASSETS AND
22 LIABILITIES OF THE METROPOLITAN DISTRICT AS PROVIDED IN SECTION
23 17(2).

24 (C) DEPOSIT ALL RECORDS OF THE METROPOLITAN DISTRICT WITH THE
25 COUNTY CLERK AS PROVIDED IN SECTION 18.

26 (D) NOTIFY THE GOVERNOR IN WRITING OF THE DISSOLUTION.

27 Enacting section 1. This amendatory act does not take effect

1 unless House Bill No. 4121 of the 96th Legislature is enacted into
2 law.