

SENATE BILL No. 1011

January 26, 2006, Introduced by Senators BASHAM, CLARKE, CLARK-COLEMAN, BRATER, THOMAS, PRUSI, JACOBS, CHERRY, SCOTT, SCHAUER and LELAND and referred to the Committee on Transportation.

A bill to amend 1986 PA 196, entitled
"Public transportation authority act,"
by amending section 18 (MCL 124.468).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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

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

9 (3) The tax authorized under subsection (1) shall not be
10 levied except upon the approval of a majority of the registered
11 electors residing in the public authority affected and qualified to

1 vote and voting on the tax at a general or special election. The
2 election may be called by resolution of the board of the public
3 authority. The recording officer of the public authority shall file
4 a copy of the resolution of the board calling the election with the
5 clerk of each affected county, city, or township not less than 60
6 days before the date of the election. The resolution calling the
7 election shall contain a statement of the proposition to be
8 submitted to the electors. Each county, city, and township clerk
9 and all other county, city, and township officials shall undertake
10 those steps to properly submit the proposition to the electors of
11 the county, city, and township at the election specified in the
12 resolutions of the public authority. The election shall be
13 conducted and canvassed in accordance with the Michigan election
14 law, ~~Act No. 116 of the Public Acts of 1954, being sections 168.1~~
15 ~~to 168.992 of the Michigan Compiled Laws~~ **1954 PA 116, MCL 168.1 TO**
16 **168.992**, except that if the public authority is located in more
17 than 1 county, the election shall be canvassed by the state board
18 of canvassers. The results of the election shall be certified to
19 the board of the public authority promptly after the date of the
20 election. Not more than 1 election may be held in a public
21 authority in a calendar year for approval of the tax authorized
22 under subsection (1). If the election is a special election, the
23 public authority in which the election is held shall pay its share
24 of the costs of the election.

25 (4) ~~The~~ **EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE**
26 taxes authorized by this section may be levied at a rate and for a
27 period of not more than 5 years as determined by the public

1 authority in the resolution calling the election and as ~~shall be~~
2 set forth in the proposition submitted to the electors. **FOR A**
3 **PUBLIC AUTHORITY, TAXES MAY BE LEVIED AT A RATE AND FOR A PERIOD OF**
4 **NOT MORE THAN 25 YEARS AS DETERMINED BY THE PUBLIC AUTHORITY IN THE**
5 **RESOLUTION CALLING THE ELECTION AND AS SET FORTH IN THE PROPOSITION**
6 **SUBMITTED TO THE ELECTORS.**

7 (5) The tax rate authorized by this section shall be levied
8 and collected as are all ad valorem property taxes in the state and
9 the recording officer of the public authority shall at the
10 appropriate times certify to the proper tax assessing or collecting
11 officers of each tax collecting county, city, and township the
12 amount of taxes to be levied and collected each year by each
13 county, city, and township. Consistent with ~~the provisions of~~
14 subsection (6), the board of the public authority shall determine
15 on which tax roll, if there be more than 1, of each county, city,
16 or township that the taxes authorized by this section shall be
17 collected. Each tax assessing and collecting officer and each
18 county treasurer shall levy and collect the taxes certified by the
19 public authority and pay those taxes to the public authority by the
20 time provided in section 43 of the general property tax act, ~~Act~~
21 ~~No. 206 of the Public Acts of 1893, being section 211.43 of the~~
22 ~~Michigan Compiled Laws 1893 PA 206, MCL 211.43.~~ The tax rate
23 authorized by this section may be first levied by the public
24 authority as a part of the first tax roll of the appropriate
25 counties, cities, and townships occurring after the election
26 described in subsection (3). The tax may be levied and collected on
27 the July or December tax roll next following the date of election,

1 if the tax is certified to the proper tax assessing officials not
2 later than May 15 or September 15, respectively, of the year in
3 which the election is held.

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

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

1 exercise an option to collect the public authority's July property
2 tax levy.

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

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

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

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

15 (d) Taxes shall be collected on or before September 14 and all
16 taxes and interest imposed pursuant to subdivision (f) unpaid
17 before March 1 shall be returned as delinquent on March 1. Taxes
18 delinquent under this subdivision shall be collected pursuant to
19 ~~Act No. 206 of the Public Acts of 1893~~ **THE GENERAL PROPERTY TAX**
20 **ACT, 1893 PA 206, MCL 211.1 TO 211.157.**

21 (e) Interest shall be added to taxes collected after September
22 14 at that rate imposed by section 59 of ~~Act No. 206 of the Public~~
23 ~~Acts of 1893, being section 211.59 of the Michigan Compiled Laws~~
24 **THE GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL 211.59,** on
25 delinquent property tax levies which became a lien in the same
26 year.

27 (f) All or a portion of fees or charges, or both, authorized

1 under section 44 of ~~Act No. 206 of the Public Acts of 1893, being~~
2 ~~section 211.44 of the Michigan Compiled Laws~~ **THE GENERAL PROPERTY**
3 **TAX ACT, 1893 PA 206, MCL 211.44**, may be imposed on taxes paid
4 before March 1 and shall be retained by the treasurer actually
5 performing the collection of the July property tax levy of the
6 public authority, regardless of whether all or part of these fees
7 or charges, or both, have been waived by the township or city.

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

11 (10) To the extent applicable and consistent with the
12 requirements of this section, the ~~provisions of Act No. 206 of the~~
13 ~~Public Acts of 1893~~ **GENERAL PROPERTY TAX ACT, 1893 PA 206, MCL**
14 **211.1 TO 211.157**, shall apply to proceedings in relation to the
15 assessment, spreading, and collection of taxes pursuant to this
16 section. Additionally, in relation to the assessment, spreading,
17 and collection of taxes pursuant to this section, the county
18 treasurer shall have powers and duties similar to those prescribed
19 by ~~Act No. 206 of the Public Acts of 1893~~ **THE GENERAL PROPERTY**
20 **TAX ACT, 1893 PA 206, MCL 211.1 TO 211.157**, for township
21 supervisors, township clerks, and township treasurers. However,
22 this section shall not be considered to transfer any authority over
23 the assessment of property.

24 (11) If a county treasurer collects the July property tax levy
25 of the public authority, the township or city shall deliver by June
26 1 a certified copy of the assessment roll containing state
27 equalized valuations for each parcel of taxable property in the

1 township or city to the treasurer collecting the July property tax
2 levy of the public authority. The county treasurer receiving this
3 certified copy of the assessment roll shall remit the necessary
4 cost incident to the reproduction of the assessment roll to the
5 township or city.

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

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

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