

# SENATE BILL No. 1415

October 3, 2000, Introduced by Senator JOHNSON and referred to the Committee on Natural Resources and Environmental Affairs.

A bill to amend 1947 PA 179, entitled

"An act to provide for the incorporation of certain municipal authorities for the collection or disposal, or both, of garbage or rubbish, or both, and for the operation of a dog pound; and to prescribe the powers, rights and duties thereof,"

(MCL 123.301 to 123.310) by adding section 11.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1        SEC. 11. (1) AN AUTHORITY SHALL DISSOLVE IF ALL OF THE FOL-  
2        LOWING APPLY:

3            (A) THE LEGISLATIVE BODIES OF 2 OR MORE MEMBERS EACH ADOPT A  
4        RESOLUTION STATING THAT THE AUTHORITY IS NO LONGER SERVING THE  
5        PURPOSES FOR WHICH IT WAS CREATED AND DIRECTING THAT IT BE DIS-  
6        SOLVED PURSUANT TO THIS SECTION.

7            (B) THE AUTHORITY IS COMPOSED OF 10 OR MORE MEMBERS.

8            (C) THE POPULATION RESIDING WITHIN THE TERRITORY OF THE  
9        AUTHORITY IS NOT LESS THAN 250,000.

1 (D) THE AUTHORITY HAS NO OUTSTANDING REVENUE BONDS.

2 (2) WITHIN 6 MONTHS AFTER THE REQUIREMENTS OF SUBSECTION (1)  
3 ARE SATISFIED, THE AUTHORITY SHALL CEASE THE ACTIVITIES DESCRIBED  
4 IN SECTION 1 FOR WHICH IT WAS INCORPORATED. WITHIN 6 MONTHS  
5 AFTER CEASING SUCH ACTIVITIES, THE AUTHORITY SHALL SETTLE ITS  
6 ACCOUNTS AND SELL ALL OF ITS PROPERTY. A MEMBER OF THE AUTHORITY  
7 MAY PURCHASE REAL PROPERTY OF THE AUTHORITY LOCATED WITHIN THE  
8 TERRITORY OF THE MEMBER AT A PRICE EQUAL TO THE LESSER OF ITS  
9 FAIR MARKET VALUE OR THE HIGHEST PRICE OFFERED FOR THE PROPERTY  
10 IN AN ARM'S LENGTH, BONA FIDE OFFER BY A THIRD PARTY. THE FAIR  
11 MARKET VALUE OF THE REAL PROPERTY SHALL BE DETERMINED BY AN  
12 APPRAISER LICENSED UNDER ARTICLE 26 OF THE OCCUPATIONAL CODE,  
13 1980 PA 299, MCL 339.2601 TO 339.2637, ACCEPTABLE TO THE AUTHOR-  
14 ITY AND THE MEMBER.

15 (3) IMMEDIATELY AFTER THE AUTHORITY'S ACCOUNTS ARE SETTLED  
16 AND ITS PROPERTY IS SOLD, THE AUTHORITY SHALL DISTRIBUTE ITS  
17 REMAINING ASSETS TO ITS MEMBERS. EACH MEMBER SHALL RECEIVE A  
18 DISTRIBUTION PROPORTIONAL TO THE AMOUNT OF THE MUNICIPAL SOLID  
19 WASTE, INCLUDING RECYCLABLE MATERIALS, FROM THAT MEMBER COLLECTED  
20 BY THE AUTHORITY, A MEMBER, OR A PERSON UNDER CONTRACT WITH THE  
21 AUTHORITY OR A MEMBER, DURING THE LAST FULL CALENDAR YEAR BEFORE  
22 THE REQUIREMENTS OF SUBSECTION (1) WERE SATISFIED.

23 (4) UPON DISTRIBUTION OF THE AUTHORITY'S ASSETS UNDER  
24 SUBSECTION (3), BOTH OF THE FOLLOWING APPLY:

25 (A) THE AUTHORITY IS DISSOLVED.

26 (B) ALL LIABILITIES OWED TO THE AUTHORITY BY ITS MEMBERS ARE  
27 TERMINATED.

1 (5) TO THE EXTENT OF AN AUTHORITY'S ASSETS, CLAIMS OF  
2 SECURED CREDITORS OF AN AUTHORITY SHALL NOT BE IMPAIRED BY THIS  
3 SECTION.

4 (6) THIS SECTION DOES NOT PREVENT THE INCORPORATION OF A NEW  
5 AUTHORITY BY SOME OR ALL OF THE MEMBERS OF AN AUTHORITY DISSOLVED  
6 UNDER THIS SECTION.

7 (7) FOR THE PURPOSES OF THIS SECTION, "MEMBER" MEANS A  
8 MUNICIPALITY THAT INCORPORATED THE AUTHORITY UNDER SECTION 1 OR  
9 BECAME PART OF THE AUTHORITY UNDER SECTION 7 AND WHOSE PARTICIPA-  
10 TION IN THE AUTHORITY HAS NOT BEEN TERMINATED BY AN ACT OF THE  
11 LEGISLATURE.