

HOUSE BILL NO. 5088

June 22, 2021, Introduced by Rep. Yaroach and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 2010 PA 296, entitled
"Art institute authorities act,"
by amending the title and sections 3 and 17 (MCL 123.1203 and
123.1217).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1	TITLE
2	An act to provide for the establishment of art institute
3	authorities; to provide for the powers and duties of an art
4	institute authority; to authorize the levy and collection of a

property tax by an art institute authority; **to provide for a local government to withdraw from an art institute authority; to provide for a local government to rejoin an art institute authority;** and to provide for the powers and duties of certain government officials.

Sec. 3. As used in this act:

(a) "Art institute" means an encyclopedic art museum whose primary art collection and facility, at the date an authority is established, are owned by a municipality located in this state.

(b) "Art institute services" means the operation or support of an art institute.

(c) "Art institute services provider" means a nonprofit entity qualified under section 501(c)(3) of the internal revenue code **of 1986**, 26 USC 501(c)(3), that, as its primary purpose, provides art institute services to an art institute.

(d) "Articles" means the articles of incorporation of an authority.

(e) "Authority" means an art institute authority established under section 5.

(f) "Board" means the board of directors of the authority.

(g) "Electors of the authority" means, **subject to section 17(4) and (5)**, the qualified and registered electors of the county.

Sec. 17. (1) ~~An~~ **Subject to subsections (4) and (5)**, an authority may levy a tax of not more than 0.2 mill for a period of not more than 20 years on all of the taxable property within the county for the purpose of providing revenue to an art institute services provider that will be used exclusively for the benefit of the art institute with respect to which the art institute services provider renders services. The authority may levy the tax only if a majority of the electors ~~in the county~~ **of the authority** voting on

1 the tax at a statewide general or primary election approve the tax.
2 The proposal for a tax ~~shall~~**must** be submitted to a vote of the
3 electors of the authority by resolution of the board.

4 (2) A ballot proposal for a tax ~~shall~~**must** comply with the
5 requirements of section 24f of the general property tax act, 1893
6 PA 206, MCL 211.24f. A proposal for a tax ~~shall~~**must** not be placed
7 on the ballot unless the proposal is adopted by a resolution of the
8 board and certified by the board not later than 60 days before the
9 election to the county clerk of the county for inclusion on the
10 ballot. The proposal ~~shall~~**must** be certified for inclusion on the
11 ballot at the next eligible election, as specified by the board's
12 resolution.

13 (3) ~~If~~**Subject to subsections (4) and (5), if** a majority of
14 the electors ~~in the county of the authority~~ voting on the question
15 of a tax approve the proposal as provided under subsection (1), the
16 tax levy is authorized. Not more than 2 elections may be held in a
17 calendar year on a proposal for a tax authorized under this act.

18 (4) **The governing body of a city, village, or township located**
19 **in a county that establishes an authority may by resolution submit**
20 **the question of withdrawing from the authority to the electors of**
21 **that city, village, or township. A city, village, or township**
22 **located in a county that establishes an authority may withdraw from**
23 **the authority only if a majority of the electors of that city,**
24 **village, or township voting on the question to withdraw from the**
25 **authority approve the question. If a city, village, or township**
26 **withdraws from an authority, all of the following apply:**

27 (a) **If the withdrawal is approved by the electors of the city,**
28 **village, or township before the date a tax by the authority is to**
29 **begin being levied and collected, the authority shall not levy any**

1 mills against any taxable property located in that city, village,
2 or township.

3 (b) The residents of that city, village, or township are not
4 eligible for the preferences or benefits as provided under section
5 15.

6 (c) The electors of that city, village, or township shall not
7 vote on any proposal for a tax under this section.

8 (5) If a city, village, or township withdraws from an
9 authority as provided under subsection (4), the governing body of
10 that city, village, or township may by resolution submit the
11 question of rejoining the authority to the electors of that city,
12 village, or township. A city, village, or township may rejoin the
13 authority only if a majority of the electors of that city, village,
14 or township voting on the question to rejoin the authority and be
15 subject to any authorized tax levy by the authority on taxable
16 property in the city, village, or township approve the question. If
17 a city, village, or township rejoins an authority, all of the
18 following apply:

19 (a) The authority may levy any authorized mills against
20 taxable property located in that city, village, or township.

21 (b) The residents of that city, village, or township are
22 eligible for the preferences or benefits as provided under section
23 15.

24 (c) The electors of that city, village, or township are
25 authorized to vote on any proposal for a tax under this section.