(12) After a multiyear public transportation program is approved by the state transportation commission, the state transportation department may enter into a grant-in-aid instrument with an eligible authority, intercity carrier, or eligible governmental agency obligating the state to a minimum level of funding for approved projects to be available over the multiyear period of the program. This obligation shall be binding upon the state transportation department as long as the provisions and conditions of the state transportation commission approved program are carried out as agreed.

(13) Contracts and grant memorandum agreements may be audited by the state transportation commission's office of commission audits using rules promulgated by the United States general accounting office and the terms and conditions of the respective contracts and agreements. Third party agreements are subject to the review and approval of the department.

(14) Funds distributed by the department may pay 100% of the portion of the cost not eligible for reimbursement by the federal government for eligible capital projects authorized by the state transportation commission using comprehensive transportation funds or the proceeds of notes and bonds issued under section 18b. Priority for funding obligation shall be given to capital projects for which federal funds have been authorized.

(15) All approved local bus new services initiated by eligible authorities and eligible governmental agencies not in their fourth year or beyond of funding on October 1, 1988, shall be funded from subsection (4)(c)(*iii*). Local bus new services shall be funded under subsection (4)(c)(*iii*) in the following percentages of eligible operating expenses as determined by the department:

(a) Startup 100%.

(b) First year 90%.

(c) Second year 80%.

(d) Third year 70%.

(e) Fourth year and each year thereafter, as determined by and from funds provided under subsection (4)(a). The balance of eligible operating expenses shall be met from local revenue sources including farebox. The department shall pay up to 100% of eligible capital expenses during the startup and first 3 years of service, after the third year, the department shall participate in eligible capital expenses in the same percentage as for other eligible authorities and eligible governmental agencies. For the purposes of this subsection, eligible operating and capital expenses means those expenses determined by the department as applicable to existing eligible authorities and eligible governmental agencies. The department shall prioritize annually all requests for comprehensive transportation funds to institute new services under this subsection. First priority shall be given to eligible authorities and eligible governmental agencies who have not completed their first 3 years of service by October 1, 1998. New services initiated by eligible authorities and eligible governmental agencies under this subsection shall meet all of the requirements of section 10.

(16) The department shall pay up to 80% of the portion of the cost not eligible for reimbursement by the federal government for intercity passenger operating assistance projects authorized by the commission for the first 2 years of new services. For the third year, eligible costs shall be reimbursed at up to 60% of the portion of the cost not eligible for reimbursement by the federal government. After the third year, eligible costs shall be reimbursed at up to 50% of the portion of the cost not eligible for reimbursement by the federal government. Eligible costs of services provided as of September 30, 1981, shall be reimbursed at up to 50% of the portion of the cost not eligible for reimbursement by the federal government. However, the amount of funds from the comprehensive transportation fund when added to federal funds and local funds shall not exceed the total operating assistance project cost.

(17) A vehicle purchased, leased, or rented after November 15, 1976, by an eligible authority or eligible governmental agency with funds made available under this act, which funds were not already committed under a contract in existence on November 15, 1976, shall not be used to provide service on a fixed schedule and fixed route for which a passenger fee is charged unless the vehicle is accessible to a person using a wheelchair from a roadway level or curb level, and has accommodations in which 1 or more wheelchairs can be secured.

(18) A vehicle shall not be purchased, leased, or rented by an eligible authority or eligible governmental agency after October 1, 1978, with funds made available under this act which vehicle is used to provide demand actuated service unless the eligible authority or eligible governmental agency has submitted a plan to the state transportation department describing the service to be provided by the demand actuated service to persons 65 years of age or older and persons with disabilities within the applicable service area and that plan has been approved by the department. The department shall approve the plan as submitted or modified or shall reject the plan within 60 days after the plan is submitted. A plan which describes the service to be provided by the demand actuated service shall not be approved by the department unless that plan provides the following:

(a) That demand actuated service will be provided to persons 65 years of age or older and persons with disabilities residing in the entire service area subject to the plan.

(b) That as a minimum, demand actuated service will be provided to persons 65 years of age or older and persons with disabilities during the same hours as service is provided to all other persons in the service area subject to the plan.

(c) That the average time period required for demand actuated service to persons 65 years of age or older and persons with disabilities from the initiation of a service request to arrival at the destination is equal to the average time period required for demand actuated service provided to all other persons in the service area subject to the plan.

(d) That the eligible authority or eligible governmental agency submitting the plan has established a local advisory council with not less than 50% of its membership representing persons 65 years of age or older and persons with disabilities within the service area subject to the plan and that the local advisory council has had an opportunity to review and comment upon the plan before its submission to the department. Each eligible authority or eligible governmental agency jointly with the area agency on aging shall approve at least 1 or the equivalent of 12% of the membership of the local advisory council. Each advisory council comment shall be included in the plan when submitted to the department.

(19) Notwithstanding subsection (18), a plan required by subsection (18) which is not approved or rejected by the state transportation department within 60 days after submission shall be considered approved as submitted.

(20) Subsections (17), (18), and (19) shall not apply to vehicles or facilities used to transport persons by rail, air, or water or to vehicles of common carriers licensed by the state transportation department.

(21) After January 1, 1979, the department shall submit an annual report to the legislature detailing the service provided in the prior year for persons 65 years of age or older and persons with disabilities by fixed route service and demand actuated service. This report shall include a record of passenger usage and shall be submitted by April 1 of each year.

(22) Notwithstanding any other provision of this section, for each fiscal year that begins after September 30, 2009, the governor and the state budget director shall include in the annual budget submitted to the legislature for the ensuing fiscal period under section 18 of article V of the state constitution of 1963 an appropriation from a fund or funds other than the comprehensive transportation fund to a street railway organized under the nonprofit street railway act, 1867 PA 35, MCL 472.1 to 472.27, of a sum equal to the difference between

the annual operating expenses of the street railway and revenue received by the street railway during the same annual period, including, but not limited to, tax increment revenues received by the street railway under section 23 of the nonprofit street railway act, 1867 PA 35, MCL 472.23. The appropriation submitted in the budget under this section shall not exceed 8% of the total private investment in the street railway as determined by the department. A street railway is not an eligible authority or eligible governmental agency for purposes of subdivision (4)(a).

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 94th Legislature are enacted into law:

(a) House Bill No. 6542.

(b) House Bill No. 6543.

(c) House Bill No. 6546.

(d) House Bill No. 6625.

This act is ordered to take immediate effect.
Approved January 9, 2009.
Filed with Secretary of State January 12, 2009.

Compiler's note: The bills referred to in enacting section 1 were enacted into law as follows:
House Bill No. 6542 was filed with the Secretary of State January 12, 2009, and became 2008 PA 481, Imd. Eff. Jan. 12, 2009.
House Bill No. 6543 was filed with the Secretary of State January 12, 2009, and became 2008 PA 482, Imd. Eff. Jan. 12, 2009.
House Bill No. 6546 was filed with the Secretary of State January 12, 2009, and became 2008 PA 483, Imd. Eff. Jan. 12, 2009.
House Bill No. 6625 was filed with the Secretary of State January 12, 2009, and became 2008 PA 484, Imd. Eff. Jan. 12, 2009.

[No. 488]

(SB 1592)

AN ACT to amend 1976 PA 295, entitled "An act to improve and maintain transportation services in this state; to provide for the acquisition and use of funds; to provide for the acquisition of certain railroad facilities and certain property; to provide for the disposition and use of facilities and property acquired under this act; to provide for financial assistance to certain private transportation services; to prescribe the powers and duties of certain state departments and agencies; to provide for the transfer of certain funds; to provide for the creation of certain funds; and to provide for appropriations," by amending sections 1, 2, 5, 15, and 16 (MCL 474.51, 474.52, 474.55, 474.65, and 474.66), section 2 as amended by 1998 PA 235 and sections 5, 15, and 16 as amended by 1984 PA 210.

The People of the State of Michigan enact:

474.51 Short title; declaration of public purpose.

Sec. 1. (1) This act shall be known and may be cited as the "state transportation preservation act of 1976".

(2) There exists a need to provide authorization for financial assistance for the capital improvement, maintenance, and operation of rail, street railway, intercity bus, and ferry services in this state. To undertake the planning, development, acquisition, and operation of these services is in the best interest of the state and is a valid public purpose.

(3) The preservation of abandoned railroad rights of way for future rail use and their interim use as public trails is declared to be a public purpose.

474.52 Definitions.

Sec. 2. As used in this act:

(a) "Bureau" means the bureau of passenger transportation in the department.

(b) "Commuter trail" means a trail, lane, path, road, or other right of way on which motorized vehicles are not permitted and which has the primary or substantial purpose and result of providing a means for people to move from 1 location to another.

(c) "Department" means the state transportation department, the principal department of state government created under section 350 of the executive organization act of 1965, 1965 PA 380, MCL 16.450.

(d) "Federal acts" means the regional rail reorganization act of 1973, 45 USC 701 to 797m; the railroad revitalization and regulatory reform act of 1976, Public Law 94-210; the local rail service assistance act of 1978, section 5, Public Law 89-670; the staggers rail act of 1980, Public Law 96-448; and the northeast rail service act of 1981, subtitle E title XI, Public Law 97-35.

(e) "Recreational trail" means a trail, lane, path, road, or other right of way that because of its scenic, wild, or topographical nature, has as its primary purpose recreational use of the trail itself.

(f) "Street railway" means that term as defined under the nonprofit street railway act, 1867 PA 35, MCL 472.1 to 472.31.

474.55 Financial assistance for railroad or street railway; department as agent.

Sec. 5. The department may provide financial assistance in the form of grants, leases, loans, and purchases, or any combination of grants, leases, loans, and purchases, within the limits of the funds appropriated by the legislature or otherwise obtained, for the maintenance of a railroad or a street railway within the state as provided in the federal acts, other relevant federal legislation, 1951 PA 51, MCL 247.651 to 247.675, or other relevant state law. The department may act as the agent for the state, a person, a public or private corporation, a local or regional transportation authority, a local governmental unit, a private carrier, a group of rail users, or a combination of these entities for the maintenance of a railroad or a street railway in this state.

474.65 Modernization, rehabilitation, rebuilding, and relocation of rail property; maintenance and improvements.

Sec. 15. The department may spend sums appropriated and other available funds for the construction, modernization, rehabilitation, rebuilding, and relocation of rail property and may perform or contract for maintenance or improvements on rail property owned by the state, a person, a public or private corporation, a local or regional transportation authority, a local governmental unit, a private carrier, a group of rail users, or a combination of these entities, including, but not limited to, a street railway, as is necessary in the public interest as determined by the department.

474.66 Contracts for rail, street railway, intercity bus, or ferry service.

Sec. 16. The department may contract with a person, firm, or public or private corporation to provide rail, street railway, intercity bus, or ferry service deemed by the department to be in the best interest of this state.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 94th Legislature are enacted into law:

(a) House Bill No. 6542.

(b) House Bill No. 6543.

(c) House Bill No. 6546.

(d) House Bill No. 6625.

This act is ordered to take immediate effect.
Approved January 9, 2009.
Filed with Secretary of State January 12, 2009.

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House Bill No. 6542 was filed with the Secretary of State January 12, 2009, and became 2008 PA 481, Imd. Eff. Jan. 12, 2009.
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House Bill No. 6546 was filed with the Secretary of State January 12, 2009, and became 2008 PA 483, Imd. Eff. Jan. 12, 2009.
House Bill No. 6625 was filed with the Secretary of State January 12, 2009, and became 2008 PA 484, Imd. Eff. Jan. 12, 2009.

[No. 489]

(HB 4179)

AN ACT to amend 1998 PA 58, entitled "An act to create a commission for the control of the alcoholic beverage traffic within this state, and to prescribe its powers, duties, and limitations; to provide for powers and duties for certain state departments and agencies; to impose certain taxes for certain purposes; to provide for the control of the alcoholic liquor traffic within this state and to provide for the power to establish state liquor stores; to prohibit the use of certain devices for the dispensing of alcoholic vapor; to provide for the care and treatment of alcoholics; to provide for the incorporation of farmer cooperative wineries and the granting of certain rights and privileges to those cooperatives; to provide for the licensing and taxation of activities regulated under this act and the disposition of the money received under this act; to prescribe liability for retail licensees under certain circumstances and to require security for that liability; to provide procedures, defenses, and remedies regarding violations of this act; to provide for the enforcement and to prescribe penalties for violations of this act; to provide for allocation of certain funds for certain purposes; to provide for the confiscation and disposition of property seized under this act; to provide referenda under certain circumstances; and to repeal acts and parts of acts," by amending section 541 (MCL 436.1541), as amended by 2006 PA 253.

The People of the State of Michigan enact:

436.1541 Motor vehicle fuel pumps.

Sec. 541. (1) The commission shall not prohibit an applicant for or the holder of a specially designated distributor license or specially designated merchant license from owning or operating motor vehicle fuel pumps on or adjacent to the licensed premises, if both of the following conditions are met:

(a) One or both of the following conditions exist:

(*i*) The applicant or licensee is located in a neighborhood shopping center composed of 1 or more commercial establishments organized or operated as a unit which is related in location, size, and type of shop to the trade area that the unit serves, which provides not less than 50,000 square feet of gross leasable retail space, and which provides 5 private off-street parking spaces for each 1,000 square feet of gross leasable retail space.

(*ii*) The applicant or licensee maintains a minimum inventory on the premises, excluding alcoholic liquor and motor vehicle fuel, of not less than $250,000.00, at cost, of those goods and services customarily marketed by approved types of businesses.

(b) The site of payment and selection of alcoholic liquor is not less than 50 feet from that point where motor vehicle fuel is dispensed.

(2) The commission shall not prohibit an applicant for or the holder of a specially designated distributor license or specially designated merchant license from owning or operating motor vehicle fuel pumps on or adjacent to the licensed premises, if all of the following conditions are met:

(a) The applicant is located in a township with a population of 7,000 or less, which township is not contiguous with any other township. For purposes of this subdivision, a township is not considered contiguous by water.

(b) The applicant or licensee maintains a minimum inventory on the premises, excluding alcoholic liquor and motor vehicle fuel, of not less than $12,500.00 at cost, of those goods and services customarily marketed by approved types of businesses.

(c) The applicant has the approval of the township, as evidenced by a resolution duly adopted by the township and submitted with the application to the commission.

(3) The commission shall not prohibit an applicant for or the holder of a specially designated merchant license from owning or operating motor vehicle fuel pumps on or adjacent to the licensed premises if both of the following conditions are met:

(a) The applicant or licensee is located in either of the following:

(*i*) A city, incorporated village, or township with a population of 3,500 or less and a county with a population of 31,000 or more.

(*ii*) A city, incorporated village, or township with a population of 4,000 or less and a county with a population of less than 31,000.

(b) The applicant or licensee maintains a minimum inventory on the premises, excluding alcoholic liquor and motor vehicle fuel, of not less than $10,000.00, at cost, of those goods and services customarily marketed by approved types of businesses.

(4) The commission shall not prohibit an applicant for or the holder of a specially designated distributor license from owning or operating motor vehicle fuel pumps on or adjacent to the licensed premises if both of the following conditions are met:

(a) The applicant or licensee is located in either of the following:

(*i*) A city, incorporated village, or township with a population of 3,500 or less and a county with a population of 31,000 or more.

(*ii*) A city, incorporated village, or township with a population of 4,000 or less and a county with a population of less than 31,000.

(b) The applicant or licensee maintains a minimum inventory on the premises, excluding alcoholic liquor and motor vehicle fuel, of not less than $12,500.00, at cost, of those goods and services customarily marketed by approved types of businesses.

(5) A person who was issued a specially designated merchant license or specially designated distributor license at a location at which another person owned, operated or maintained motor vehicle fuel pumps at the same location may have or acquire an interest in the ownership, operation or maintenance of those motor vehicle fuel pumps.

(6) The commission may transfer ownership of a specially designated merchant license or specially designated distributor license to a person who owns or is acquiring an interest in motor vehicle fuel pumps already in operation at the same location at which the license is issued.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 490]

(HB 5025)

AN ACT to amend 1980 PA 299, entitled "An act to revise, consolidate, and classify the laws of this state regarding the regulation of certain occupations; to create a board for each of those occupations; to establish the powers and duties of certain departments and agencies and the boards of each occupation; to provide for the promulgation of rules; to provide for certain fees; to provide for penalties and civil fines; to establish rights, relationships, and remedies of certain persons under certain circumstances; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts," by amending sections 2201, 2202, 2203, 2204, 2205, 2208, 2209, 2210, and 2211 (MCL 339.2201, 339.2202, 339.2203, 339.2204, 339.2205, 339.2208, 339.2209, 339.2210, and 339.2211), section 2204 as amended by 1981 PA 83 and sections 2205 and 2209 as amended by 1988 PA 463.

The People of the State of Michigan enact:

339.2201 Definitions.

Sec. 2201. As used in this article:

(a) "Landscape architect" means a person qualified to engage in the practice of landscape architecture as provided in this article.

(b) "Practice of landscape architecture" means all of the following:

(*i*) The performance of professional services such as consultation, investigation, research, planning, design, or responsible field observation in connection with the development of land areas where, and to the extent that the dominant purpose of the services is the preservation, enhancement, or determination of proper land uses, natural land resources, ground cover and planting, naturalistic and aesthetic values, the settings and approaches to structures or other improvements, natural drainage, and the consideration and determination of inherent problems of the land relating to erosion, use and stress, blight, or other hazards.

(*ii*) The location and arrangement of tangible objects and features incidental and necessary to the purposes outlined in this article.

339.2202 Performing services described in MCL 339.2201(b)(*i*); scope of article.

Sec. 2202. (1) This article does not prohibit a licensed landscape architect from performing any of the services described in section 2201(b)(*i*) in connection with the settings, approaches, or environment for buildings, structures, or facilities.

(2) This article does not authorize a landscape architect to engage in the practice of architecture, engineering, or land surveying as defined in article 20.

(3) The licensure requirement of this article does not prohibit a person from performing or offering services as a landscape designer, landscape gardener, landscape contractor, or landscape nursery operator as long as that person does not use the term "landscape architect".

339.2203 Appointment of ad hoc committees by director; purpose; number of members; service of committees during processing of rules; recommendations and suggested revisions.

Sec. 2203. (1) The director shall appoint 1 or more ad hoc committees to assist the director and the department in adopting rules regarding the setting of standards for continuing education and continuing competency courses and programs, providing for exceptions to the licensure standards in extraordinary cases, and establishing specific license sanction recommendations for certain violations.

(2) The committees shall consist of as many members as the director considers necessary but shall include at least a majority of members that are licensed under this article.

(3) The committees appointed under this section shall serve during the processing of the rules and may make recommendations and suggested revisions regarding the content of the rules.

339.2204 Applicant for licensure as landscape architect; qualifications.

Sec. 2204. An applicant for licensure as a landscape architect shall be of good moral character and shall pass a written examination developed by the department. In addition, each applicant shall have had not less than 7 years of training and experience in the actual implementation and practice of landscape architecture. Satisfactory completion of each year up to 5 years of an accredited course in landscape architecture in an accredited school shall be considered as equivalent to a year of experience.

339.2205 Completion of requirements for licensure; demonstration of continuing professional competence.

Sec. 2205. (1) All requirements for licensure shall be completed within 10 years after receipt of the application by the department. If the requirements are not completed within the 10-year period, the application shall be void.

(2) A demonstration of continuing professional competence shall be required for renewal of a license as determined by the department and provided for by rule of the director.

339.2208 Licensure on individual basis.

Sec. 2208. Licensure under this article shall be on an individual basis. The department shall not license a partnership, association, corporation, or a public agency under this article.

339.2209 Issuing license without examination to applicant registered, licensed, or regulated in another state or country; equivalency.

Sec. 2209. The department may issue a license without examination to an applicant who is legally registered, licensed, or regulated as a landscape architect in any other state or country whose requirements for registration, licensure, or other regulation are at least substantially equivalent to the requirements of this state.

339.2210 Seal; plans, specifications, and reports filed with public authority; unlawful indorsement; penalties.

Sec. 2210. (1) Each landscape architect shall have a seal, approved by the department and the board, which shall contain the name of the landscape architect, the number of his or her license and the legend "landscape architect, state of Michigan" and other words or figures as the department considers necessary. Plans, specifications, and reports prepared by the landscape architect or under his or her supervision shall be stamped with his or her seal when filed with a public authority.

(2) A landscape architect who indorses a document with his or her seal while his or her license is not in full force and effect, or who indorses a document which the landscape architect did not actually prepare or supervise the preparation, is subject to the penalties prescribed in article 6.

339.2211 Using or advertising certain titles or descriptions.

Sec. 2211. A person shall not use or advertise the title "landscape architect" or any title or description tending to convey the impression that he or she is a landscape architect

unless he or she is licensed under this article. This article does not restrict the use of the titles "landscape gardener", "landscape contractor", "landscape designer", or "landscape operator".

Effective date.

Enacting section 1. This amendatory act takes effect 120 days after the date it is enacted into law.

Conditional effective date.

Enacting section 2. This amendatory act does not take effect unless House Bill No. 5026 of the 94th Legislature is enacted into law.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

Compiler's note: House Bill No. 5026, referred to in enacting section 2, was filed with the Secretary of State January 13, 2009, and became 2008 PA 491, Eff. May 13, 2009.

[No. 491]

(HB 5026)

AN ACT to amend 1979 PA 152, entitled "An act to provide for the establishment and collection of fees for the investigation, regulation, and enforcement of certain occupations and professions, and for certain agencies and businesses; to create certain funds for certain purposes; and to prescribe certain powers and duties of certain state agencies and departments," by amending section 15 (MCL 338.2215), as amended by 2007 PA 77.

The People of the State of Michigan enact:

338.2215 Landscape architect; fees.

Sec. 15. Fees for a person licensed or seeking licensure as a landscape architect under article 22 of the occupational code, MCL 339.2201 to 339.2211, are as follows:

(a) Application processing fee	$ 200.00
(b) Supplemental application processing fee	20.00
(c) Examination fees:	
(*i*) Complete examination	265.00
(*ii*) Section 1 of the examination	25.00
(*iii*) Section 2 of the examination	35.00
(*iv*) Section 3 of the examination	100.00
(*v*) Section 4 of the examination	125.00
(d) Examination review	25.00
(e) Licensure fee, per year	60.00

Effective date.

Enacting section 1. This amendatory act takes effect 120 days after the date it is enacted into law.

Conditional effective date.

Enacting section 2. This amendatory act does not take effect unless House Bill No. 5025 of the 94th Legislature is enacted into law.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

Compiler's note: House Bill No. 5025, referred to in enacting section 2, was filed with the Secretary of State January 13, 2009, and became 2008 PA 490, Eff. May 13, 2009.

[No. 492]

(SB 1227)

AN ACT to amend 1994 PA 451, entitled "An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts," by amending section 11717b (MCL 324.11717b), as added by 2004 PA 381.

The People of the State of Michigan enact:

324.11717b Fees for persons engaged in septage waste servicing.

Sec. 11717b. (1) The cost of administering this part shall be recovered by collecting fees from persons engaged in servicing. Fee categories and, subject to subsection (2), rates are as follows:

(a) The fee for a septage waste servicing license is $200.00 per year.

(b) The fee for a septage waste vehicle license is as follows:

(*i*) If none of the vehicles owned by the person applying for the septage waste vehicle license will be used at any time during the license period for disposal of septage waste by land application, $350.00 per year for each septage waste vehicle.

(*ii*) If any of the vehicles owned by the person applying for the septage waste vehicle license will be used at any time during the license period for disposal of septage waste by land application, $480.00 per year for each septage waste vehicle.

(c) The fee to replace an existing septage waste vehicle under a septage waste vehicle license with a different septage waste vehicle under the same ownership, if the annual fee for that year has been paid under subdivision (b), is as follows:

(*i*) $200.00 if the septage waste vehicle being replaced has been inspected for that year under section 11706.

(*ii*) $150.00 if the vehicle being replaced has not been inspected for that year.

(d) The fee for a site permit is $500.00. However, a person shall not be charged a fee to renew a site permit.

(2) If a fee under subsection (1) is paid for a license, permit, or approval but the application for the license or permit or the request for the approval is denied, the department shall promptly refund the fee.

(3) For each state fiscal year, a person possessing a septage waste servicing license and septage waste vehicle license as of January 1 of that fiscal year shall be assessed a septage waste servicing license fee and septage waste vehicle license fee as specified in this section. The department shall notify those persons of their fee assessments by February 1 of that fiscal year. Payment shall be postmarked by March 15 of that fiscal year.

(4) The department shall assess interest on all fee payments received after the due date. The amount of interest shall equal 0.75% of the payment due, for each month or portion of a month the payment remains past due. The failure by a person to timely pay a fee imposed by this section is a violation of this part.

(5) If a person fails to pay a fee required under this section in full, plus any interest accrued, by October 1 of the year following the date of notification of the fee assessment, the department may issue an order that revokes the license or permit held by that person for which the fee was to be paid.

(6) Fees and interest collected under this section shall be deposited in the fund.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 493]

(SB 1413)

AN ACT to allow the state of Michigan to enter into a compact for organizing an electronic information sharing system among the federal government and the states that will exchange criminal history records for certain purposes.

The People of the State of Michigan enact:

3.1051 Compact.

Sec. 1. The governor of this state may enter into a compact as described in this act on behalf of the state of Michigan with any of the states of the United States who legally join in that compact.

3.1052 Short title.

Sec. 2. This act shall be known and may be cited as the "national crime prevention and privacy compact".

3.1053 National crime prevention and privacy compact; form.

Sec. 3. The national crime prevention and privacy compact as contained in this section is enacted into law and entered into on behalf of the state of Michigan with any other states legally joining in it in a form substantially as follows:

The contracting parties agree to the following:

OVERVIEW

(a) In general. This compact organizes an electronic information sharing system among the federal government and the states to exchange criminal history records for non-criminal justice purposes authorized by federal or state law, such as background checks for governmental licensing and employment.

(b) Obligations of parties. Under this compact, the FBI and the party states agree to maintain detailed databases of their respective criminal history records, including arrests and dispositions, and to make them available to the federal government and to party states for authorized purposes. The FBI shall also manage the federal data facilities that provide a significant part of the infrastructure for the system.

ARTICLE I. DEFINITIONS

As used in this compact, unless the context clearly requires otherwise:

(a) "Attorney general" means the attorney general of the United States.

(b) "Compact officer" means either of the following:

(*i*) With respect to the federal government, an official so designated by the director of the FBI.

(*ii*) With respect to a party state, the chief administrator of the state's criminal history record repository or a designee of the chief administrator who is a regular full-time employee of the repository.

(c) "Council" means the compact council established under article VI.

(d) "Criminal history records" means information collected by criminal justice agencies on individuals consisting of identifiable descriptions and notations of arrests, detentions, indictments, or other formal criminal charges, and any disposition arising therefrom, including acquittal, sentencing, correctional supervision, or release, but does not include identification information such as fingerprint records if such information does not indicate involvement of the individual with the criminal justice system.

(e) "Criminal history record repository" means the state agency designated by the governor or other appropriate executive official or the legislature of a state to perform centralized record-keeping functions for criminal history records and services in the state.

(f) "Criminal justice" includes activities relating to the detection, apprehension, detention, pretrial release, posttrial release, prosecution, adjudication, correctional supervision, or rehabilitation of accused persons or criminal offenders; the administration of criminal justice includes criminal identification activities and the collection, storage, and dissemination of criminal history records.

(g) "Criminal justice agency" includes all of the following:

(*i*) The courts.

(*ii*) A governmental agency or any subunit of a governmental agency that performs the administration of criminal justice pursuant to a statute or executive order and allocates a substantial part of its annual budget to the administration of criminal justice.

(*iii*) Federal and state inspectors general offices.

(h) "Criminal justice services" means services provided by the FBI to criminal justice agencies in response to a request for information about a particular individual or as an update to information previously provided for criminal justice purposes.

(i) "Criterion offense" means any felony or misdemeanor offense not included on the list of nonserious offenses published periodically by the FBI.

(j) "Direct access" means access to the national identification index by computer terminal or other automated means not requiring the assistance of or intervention by any other party or agency.

(k) "Executive order" means an order of the president of the United States or the chief executive officer of a state that has the force of law and that is promulgated in accordance with applicable law.

(*l*) "FBI" means the federal bureau of investigation.

(m) "Interstate identification index system" or "III system" means the cooperative federal-state system for the exchange of criminal history records, and includes the national identification index, the national fingerprint file, and to the extent of their participation in such system, the criminal history record repositories of the states and the FBI.

(n) "National fingerprint file" means a database of fingerprints, or other uniquely personal identifying information, relating to an arrested or charged individual maintained by the FBI to provide positive identification of record subjects indexed in the III system.

(o) "National identification index" means an index maintained by the FBI consisting of names, identifying numbers, and other descriptive information relating to record subjects about whom there are criminal history records in the III system.

(p) "National indices" means the national identification index and the national fingerprint file.

(q) "Nonparty state" means a state that has not ratified this compact.

(r) "Noncriminal justice purposes" means uses of criminal history records for purposes authorized by federal or state law other than purposes relating to criminal justice activities, including employment suitability, licensing determinations, immigration and naturalization matters, and national security clearances.

(s) "Party state" means a state that has ratified this compact.

(t) "Positive identification" means a determination, based upon a comparison of fingerprints or other equally reliable biometric identification techniques, that the subject of a record search is the same person as the subject of a criminal history record or records indexed in the III system; identifications based solely upon a comparison of subjects' names or other nonunique identification characteristics or numbers, or combinations thereof, shall not constitute positive identification.

(u) "Sealed record information" means either of the following, as applicable:

(*i*) With respect to adults, that portion of a record that is not available for criminal justice uses, is not supported by fingerprints or other accepted means of positive identification, or is subject to restrictions on dissemination for noncriminal justice purposes pursuant to a court order related to a particular subject or pursuant to a federal or state statute that requires action on a sealing petition filed by a particular record subject.

(*ii*) With respect to juveniles, whatever each state determines is a sealed record under its own law and procedure.

(v) "State" means any state, territory, or possession of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

ARTICLE II. PURPOSES

The purposes of this compact are all of the following:

(a) Provide a legal framework for the establishment of a cooperative federal-state system for the interstate and federal-state exchange of criminal history records for noncriminal justice uses.

(b) Require the FBI to permit use of the national identification index and the national fingerprint file by each party state, and to provide, in a timely fashion, federal and state criminal history records to requesting states, in accordance with the terms of this compact and with rules, procedures, and standards established by the council under article VI.

(c) Require party states to provide information and records for the national identification index and the national fingerprint file and to provide criminal history records, in a timely

fashion, to criminal history record repositories of other states and the federal government for noncriminal justice purposes, in accordance with the terms of this compact and with rules, procedures, and standards established by the council under article VI.

(d) Provide for the establishment of a council to monitor the III system operations and to prescribe system rules and procedures for the effective and proper operation of the III system for noncriminal justice purposes.

(e) Require the FBI and each party state to adhere to III system standards concerning record dissemination and use, response times, system security, data quality, and other duly established standards, including those that enhance the accuracy and privacy of those records.

ARTICLE III. RESPONSIBILITIES OF COMPACT PARTIES

(1) FBI responsibilities. The director of the FBI shall do all of the following:

(a) Appoint an FBI compact officer who shall do all of the following:

(*i*) Administer this compact within the United States department of justice and among federal agencies and other agencies and organizations that submit search requests to the FBI pursuant to article V(3).

(*ii*) Ensure that compact provisions and rules, procedures, and standards prescribed by the council under article VI are complied with by the department of justice and the federal agencies and other agencies and organizations referred to in subparagraph (*i*).

(*iii*) Regulate the use of records received by means of the III system from party states when such records are supplied by the FBI directly to other federal agencies.

(b) Provide to federal agencies, and to state criminal history record repositories, criminal history records maintained in its database for the noncriminal justice purposes described in article IV, including information from nonparty states and information from party states that is available from the FBI through the III system, but is not available from the party state through the III system.

(c) Provide a telecommunications network and maintain centralized facilities for the exchange of criminal history records for both criminal justice purposes and the noncriminal justice purposes described in article IV, and ensure that the exchange of such records for criminal justice purposes has priority over exchange for noncriminal justice purposes.

(d) Modify or enter into user agreements with nonparty state criminal history record repositories to require them to establish record request procedures conforming to those prescribed in article V.

(2) State responsibilities. Each party state shall do all of the following:

(a) Appoint a compact officer who shall administer this compact within that state, ensure that compact provisions and rules, procedures, and standards established by the council under article VI are complied with in the state, and regulate the in-state use of records received by means of the III system from the FBI or from other party states.

(b) Establish and maintain a criminal history record repository, which shall provide information and records for the national identification index and the national fingerprint file and the state's III system-indexed criminal history records for noncriminal justice purposes described in article IV.

(c) Participate in the national fingerprint file.

(d) Provide and maintain telecommunications links and related equipment necessary to support the services set forth in this compact.

(3) Compliance with III system standards. In carrying out their responsibilities under this compact, the FBI and each party state shall comply with III system rules, procedures, and standards duly established by the council concerning record dissemination and use, response times, data quality, system security, accuracy, privacy protection, and other aspects of III system operation.

(4) Maintenance of record services:

(a) Use of the III system for noncriminal justice purposes authorized in this compact shall be managed so as not to diminish the level of services provided in support of criminal justice purposes.

(b) Administration of compact provisions shall not reduce the level of service available to authorized noncriminal justice users on the effective date of this compact.

ARTICLE IV. AUTHORIZED RECORD DISCLOSURES

(1) State criminal history record repositories. To the extent authorized by section 552a of title 5, United States Code (commonly known as the "Privacy Act of 1974"), the FBI shall provide on request criminal history records (excluding sealed records) to state criminal history record repositories for noncriminal justice purposes allowed by federal statute, federal executive order, or a state statute that has been approved by the attorney general and that authorizes national indices checks.

(2) Criminal justice agencies and other governmental or nongovernmental agencies. The FBI, to the extent authorized by section 552a of title 5, United States Code (commonly known as the "Privacy Act of 1974"), and state criminal history record repositories shall provide criminal history records (excluding sealed records) to criminal justice agencies and other governmental or nongovernmental agencies for noncriminal justice purposes allowed by federal statute, federal executive order, or a state statute that has been approved by the attorney general, that authorizes national indices checks.

(3) Procedures. Any record obtained under this compact may be used only for the official purposes for which the record was requested. Each compact officer shall establish procedures, consistent with this compact, and with rules, procedures, and standards established by the council under article VI, which procedures shall do all of the following:

(a) Protect the accuracy and privacy of the records.

(b) Ensure that records obtained under this compact are used only by authorized officials for authorized purposes.

(c) Require that subsequent record checks are requested to obtain current information whenever a new need arises.

(d) Ensure that record entries that may not legally be used for a particular noncriminal justice purpose are deleted from the response and, if no information authorized for release remains, an appropriate "no record" response is communicated to the requesting official.

ARTICLE V. RECORD REQUEST PROCEDURES

(1) Positive identification. Subject fingerprints or other approved forms of positive identification shall be submitted with all requests for criminal history record checks for noncriminal justice purposes.

(2) Submission of state requests. Each request for a criminal history record check utilizing the national indices made under any approved state statute shall be submitted through that state's criminal history record repository. A state criminal history record repository

shall process an interstate request for noncriminal justice purposes through the national indices only if such request is transmitted through another state criminal history record repository or the FBI.

(3) Submission of federal requests. Each request for criminal history record checks utilizing the national indices made under federal authority shall be submitted through the FBI or, if the state criminal history record repository consents to process fingerprint submissions, through the criminal history record repository in the state in which such request originated. Direct access to the national identification index by entities other than the FBI and state criminal history records repositories shall not be permitted for noncriminal justice purposes.

(4) Fees. A state criminal history record repository or the FBI may charge a fee, in accordance with applicable law, for handling a request involving fingerprint processing for noncriminal justice purposes, and may not charge a fee for providing criminal history records in response to an electronic request for a record that does not involve a request to process fingerprints.

(5) Additional search.

(a) If a state criminal history record repository cannot positively identify the subject of a record request made for noncriminal justice purposes, the request, together with fingerprints or other approved identifying information, shall be forwarded to the FBI for a search of the national indices.

(b) If, with respect to a request forwarded by a state criminal history record repository under subdivision (a), the FBI positively identifies the subject as having a III system-indexed record or records, the FBI shall so advise the state criminal history record repository and the state criminal history record repository shall be entitled to obtain the additional criminal history record information from the FBI or other state criminal history record repositories.

ARTICLE VI. ESTABLISHMENT OF A COMPACT COUNCIL

Establishment.

(1) In general. There is established a council to be known as the "compact council," which shall have the authority to promulgate rules and procedures governing the use of the III system for noncriminal justice purposes, not to conflict with FBI administration of the III system for criminal justice purposes.

(2) Organization. The council shall continue in existence as long as this compact remains in effect, be located, for administrative purposes, within the FBI, and be organized and hold its first meeting as soon as practicable after the effective date of this compact.

(3) Membership. The council shall be composed of 15 members, each of whom shall be appointed by the attorney general, as follows:

(a) Nine members, each of whom shall serve a 2-year term, who shall be selected from among the compact officers of party states based on the recommendation of the compact officers of all party states, except that, in the absence of the requisite number of compact officers available to serve, the chief administrators of the criminal history record repositories of nonparty states shall be eligible to serve on an interim basis.

(b) Two at-large members, nominated by the director of the FBI, each of whom shall serve a 3-year term, of whom 1 shall be a representative of the criminal justice agencies of the federal government and may not be an employee of the FBI and 1 shall be a representative of the noncriminal justice agencies of the federal government.

(c) Two at-large members, nominated by the chair of the council, once the chair is elected pursuant to subsection (4), each of whom shall serve a 3-year term, of whom 1 shall be a representative of state or local criminal justice agencies and 1 shall be a representative of state or local noncriminal justice agencies.

(d) One member who shall serve a 3-year term, and who shall simultaneously be a member of the FBI's advisory policy board on criminal justice information services, nominated by the membership of that policy board.

(e) One member, nominated by the director of the FBI, who shall serve a 3-year term and who shall be an employee of the FBI.

(4) Chair and vice chair.

(a) In general. From its membership, the council shall elect a chair and a vice chair of the council, respectively. Both the chair and vice chair of the council shall be a compact officer, unless there is no compact officer on the council who is willing to serve, in which case the chair may be an at-large member, and shall serve a 2-year term and be reelected to only 1 additional 2-year term.

(b) Duties of the vice chair. The vice chair of the council shall serve as the chair of the council in the absence of the chair.

(5) Meetings.

(a) In general. The council shall meet at least once a year at the call of the chair. Each meeting of the council shall be open to the public. The council shall provide prior public notice in the federal register of each meeting of the council, including the matters to be addressed at such meeting.

(b) Quorum. A majority of the council or any committee of the council shall constitute a quorum of the council or of such committee, respectively, for the conduct of business. A lesser number may meet to hold hearings, take testimony, or conduct any business not requiring a vote.

(6) Rules, procedures, and standards. The council shall make available for public inspection and copying at the council office within the FBI, and shall publish in the federal register, any rules, procedures, or standards established by the council.

(7) Assistance from FBI. The council may request from the FBI such reports, studies, statistics, or other information or materials as the council determines to be necessary to enable the council to perform its duties under this compact. The FBI, to the extent authorized by law, may provide such assistance or information upon such a request.

(8) Committees. The chair may establish committees as necessary to carry out this compact and may prescribe their membership, responsibilities, and duration.

ARTICLE VII. RATIFICATION OF COMPACT

This compact shall take effect upon being entered into by 2 or more states as between those states and the federal government. Upon subsequent entering into this compact by additional states, it shall become effective among those states and the federal government and each party state that has previously ratified it. When ratified, this compact shall have the full force and effect of law within the ratifying jurisdictions. The form of ratification shall be in accordance with the laws of the executing state.

ARTICLE VIII. MISCELLANEOUS PROVISIONS

(1) Relation of compact to certain FBI activities. Administration of this compact shall not interfere with the management and control of the director of the FBI over the FBI's

collection and dissemination of criminal history records and the advisory function of the FBI's advisory policy board chartered under the federal advisory committee act (5 USC App.) for all purposes other than noncriminal justice.

(2) No authority for nonappropriated expenditures. Nothing in this compact shall require the FBI to obligate or expend funds beyond those appropriated to the FBI.

(3) Relating to Public Law 92-544. Nothing in this compact shall diminish or lessen the obligations, responsibilities, and authorities of any state, whether a party state or a nonparty state, or of any criminal history record repository or other subdivision or component thereof, under the departments of state, justice, and commerce, the judiciary, and related agencies appropriation act, 1973 (Public Law 92-544) or regulations and guidelines promulgated thereunder, including the rules and procedures promulgated by the council under article VI, regarding the use and dissemination of criminal history records and information.

ARTICLE IX. RENUNCIATION

(1) In general. This compact shall bind each party state until renounced by the party state.

(2) Effect. Any renunciation of this compact by a party state shall be effected in the same manner by which the party state ratified this compact and shall become effective 180 days after written notice of renunciation is provided by the party state to each other party state and to the federal government.

ARTICLE X. SEVERABILITY

The provisions of this compact shall be severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any participating state, or to the constitution of the United States, or the applicability thereof to any government, agency, person, or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person, or circumstance shall not be affected thereby. If a portion of this compact is held contrary to the constitution of any party state, all other portions of this compact shall remain in full force and effect as to the remaining party states and in full force and effect as to the party state affected, as to all other provisions.

ARTICLE XI. ADJUDICATION OF DISPUTES

(1) In general. The council shall have initial authority to make determinations with respect to any dispute regarding interpretation of this compact, any rule or standard established by the council pursuant to article V, and any dispute or controversy between any parties to this compact.

(2) The council shall hold a hearing concerning any dispute described in subsection (1) at a regularly scheduled meeting of the council and only render a decision based upon a majority vote of the members of the council. The council's decision shall be published pursuant to the requirements of article VI(6).

(3) Duties of the FBI. The FBI shall exercise immediate and necessary action to preserve the integrity of the III system, maintain system policy and standards, protect the accuracy and privacy of records, and to prevent abuses, until the council holds a hearing on such matters.

(4) Right of appeal. The FBI or a party state may appeal any decision of the council to the attorney general, and thereafter may file suit in the appropriate district court of the

United States, which shall have original jurisdiction of all cases or controversies arising under this compact. Any suit arising under this compact and initiated in a state court shall be removed to the appropriate district court of the United States in the manner provided by section 1446 of title 28, United States Code, or other statutory authority.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 494]

(SB 1478)

AN ACT to amend 1956 PA 218, entitled "An act to revise, consolidate, and classify the laws relating to the insurance and surety business; to regulate the incorporation or formation of domestic insurance and surety companies and associations and the admission of foreign and alien companies and associations; to provide their rights, powers, and immunities and to prescribe the conditions on which companies and associations organized, existing, or authorized under this act may exercise their powers; to provide the rights, powers, and immunities and to prescribe the conditions on which other persons, firms, corporations, associations, risk retention groups, and purchasing groups engaged in an insurance or surety business may exercise their powers; to provide for the imposition of a privilege fee on domestic insurance companies and associations and the state accident fund; to provide for the imposition of a tax on the business of foreign and alien companies and associations; to provide for the imposition of a tax on risk retention groups and purchasing groups; to provide for the imposition of a tax on the business of surplus line agents; to provide for the imposition of regulatory fees on certain insurers; to provide for assessment fees on certain health maintenance organizations; to modify tort liability arising out of certain accidents; to provide for limited actions with respect to that modified tort liability and to prescribe certain procedures for maintaining those actions; to require security for losses arising out of certain accidents; to provide for the continued availability and affordability of automobile insurance and homeowners insurance in this state and to facilitate the purchase of that insurance by all residents of this state at fair and reasonable rates; to provide for certain reporting with respect to insurance and with respect to certain claims against uninsured or self-insured persons; to prescribe duties for certain state departments and officers with respect to that reporting; to provide for certain assessments; to establish and continue certain state insurance funds; to modify and clarify the status, rights, powers, duties, and operations of the nonprofit malpractice insurance fund; to provide for the departmental supervision and regulation of the insurance and surety business within this state; to provide for regulation over worker's compensation self-insurers; to provide for the conservation, rehabilitation, or liquidation of unsound or insolvent insurers; to provide for the protection of policyholders, claimants, and creditors of unsound or insolvent insurers; to provide for associations of insurers to protect policyholders and claimants in the event of insurer insolvencies; to prescribe educational requirements for insurance agents and solicitors; to provide for the regulation of multiple employer welfare arrangements; to create an automobile theft prevention authority to reduce the number of automobile thefts in this state; to prescribe the powers and duties of the automobile theft prevention authority; to provide certain powers and duties upon certain officials, departments, and authorities of this state; to provide for an appropriation; to repeal acts and parts of acts; and to provide penalties for the violation of this act," (MCL 500.100 to 500.8302) by adding section 1206c.

The People of the State of Michigan enact:

500.1206c Life and health insurance producer examinations; summary of statistical information; report.

Sec. 1206c. By not later than 6 months after the effective date of this section and by April 30 of each year thereafter, the commissioner or a designee of the commissioner shall prepare and publish a report that summarizes statistical information relating to life and health insurance producer examinations administered during the preceding calendar year. The report shall include, but is not limited to, all of the following information:

(a) The total number of examinees.

(b) The percentage and number of examinees who passed the examination.

(c) The mean scaled scores on the examination.

(d) The standard deviation of scaled scores on the examination.

(e) The correct answer rate and correlation for each test question and each test form.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 495]

(SB 1483)

AN ACT to amend 1996 PA 376, entitled "An act to create and expand certain renaissance zones; to foster economic opportunities in this state; to facilitate economic development; to stimulate industrial, commercial, and residential improvements; to prevent physical and infrastructure deterioration of geographic areas in this state; to authorize expenditures; to provide exemptions and credits from certain taxes; to create certain obligations of this state and local governmental units; to require disclosure of certain transactions and gifts; to provide for appropriations; and to prescribe the powers and duties of certain state and local departments, agencies, and officials," by amending sections 8d and 9 (MCL 125.2688d and 125.2689), section 8d as amended by 2008 PA 117 and section 9 as amended by 2007 PA 186.

The People of the State of Michigan enact:

125.2688d Tool and die renaissance recovery zones; definitions.

Sec. 8d. (1) The board of the Michigan strategic fund described in section 4 of the Michigan strategic fund act, 1984 PA 270, MCL 125.2004, may designate not more than 35 tool and die renaissance recovery zones within this state in 1 or more cities, villages, or townships if that city, village, or township or combination of cities, villages, or townships consents to the creation of a recovery zone within their boundaries. A recovery zone shall have a duration of renaissance zone status for a period of not less than 5 years and not more than 15 years as determined by the board of the Michigan strategic fund. If the Michigan strategic fund determines that the duration of renaissance zone status for a recovery zone is less than 15 years, then the Michigan strategic fund, with the consent of the city, village, or township or combination of cities, villages, or townships in which the qualified tool and die business is located, may extend the duration of renaissance zone status for the recovery zone for 1 or more periods that when combined do not exceed 15 years. Not less than 1 of the recovery zones shall consist of 1 or more qualified tool and die businesses that have a North American industrial classification system (NAICS) of 332997.

(2) The board of the Michigan strategic fund may designate a recovery zone within this state if the recovery zone consists of not less than 4 and not more than 20 qualified tool and die businesses at the time of designation. If the board of the Michigan strategic fund designated 1 or more recovery zones that contain less than 20 qualified tool and die businesses before December 19, 2005, the board of the Michigan strategic fund may add additional qualified tool and die businesses to that recovery zone subject to the limitations contained in this subsection. A recovery zone shall consist of only qualified tool and die business property. The board of the Michigan strategic fund may combine existing recovery zones that are comprised solely of tool and die businesses that are parties to the same qualified collaborative agreement. Where 2 or more recovery zones have been combined, the board of the Michigan strategic fund may continue to designate additional recovery zones, provided that no more than 25 tool and die recovery zones exist at 1 time.

(3) The board of the Michigan strategic fund may revoke the designation of all or a portion of a recovery zone with respect to 1 or more qualified tool and die businesses if those qualified tool and die businesses fail or cease to participate in or comply with a qualified collaborative agreement. A qualified tool and die business may enter into another qualified collaborative agreement once it is designated part of a recovery zone.

(4) One or more qualified tool and die businesses subject to a qualified collaborative agreement may merge into another group of qualified tool and die businesses subject to a different qualified collaborative agreement upon application to and approval by the Michigan strategic fund.

(5) A qualified tool and die business in a recovery zone may have a different period of renaissance zone status than other qualified tool and die businesses in the same recovery zone.

(6) The board of the Michigan strategic fund may modify an existing recovery zone to add 1 or more qualified tool and die businesses with the consent of all other qualified tool and die businesses that are participating in the recovery zone.

(7) The board of the Michigan strategic fund may modify an existing recovery zone to add additional property under the same terms and conditions as the existing recovery zone if all of the following are met:

(a) The additional real property is contiguous to existing qualified tool and die business property and will become qualified tool and die business property once it is brought into operation as determined by the board of the Michigan strategic fund.

(b) The city, village, or township in which the qualified tool and die business is located consents to the modification.

(8) Beginning on the effective date of the amendatory act that added this subsection, a recovery zone may include a qualified tool and die business that has 75 or more full-time employees if that qualified tool and die business has entered into a written agreement with the board of the Michigan strategic fund and the city, village, or township, or a combination of cities, villages, or townships, in which the qualified tool and die business is located.

(9) As used in this section:

(a) "Qualified collaborative agreement" means an agreement that demonstrates synergistic opportunities, including, but not limited to, all of the following:

(*i*) Sales and marketing efforts.

(*ii*) Development of standardized processes.

(*iii*) Development of tooling standards.

(*iv*) Standardized project management methods.

(*v*) Improved ability for specialized or small niche shops to develop expertise and compete successfully on larger programs.

(b) "Qualified tool and die business" means a business entity that meets all of the following:

(*i*) Has a North American industrial classification system (NAICS) of 332997, 333511, 333512, 333513, 333514, or 333515; or has a North American industrial classification system (NAICS) of 337215 and operates a facility within an existing renaissance zone, which facility is adjacent to real property not located in a renaissance zone and is located within 1/4 mile of a Michigan technical education center.

(*ii*) Has entered into a qualified collaboration agreement as approved by the Michigan strategic fund consisting of not fewer than 4 or more than 20 other business entities at the time of designation that have a North American industrial classification system (NAICS) of 332997, 333511, 333512, 333513, 333514, or 333515.

(*iii*) Except as otherwise provided by the board of the Michigan strategic fund, has fewer than 75 full-time employees.

(c) "Qualified tool and die business property" means 1 or more of the following:

(*i*) Property owned by 1 or more qualified tool and die businesses and used by those qualified tool and die businesses primarily for tool and die business operations. Qualified tool and die business property is used primarily for tool and die business operations if the qualified tool and die businesses that own the qualified tool and die business property generate 75% or more of the qualified tool and die businesses' gross revenue from tool and die operations that take place on the qualified tool and die business property at the time of designation.

(*ii*) Property leased by 1 or more qualified tool and die business for which the qualified tool and die business is liable for ad valorem property taxes and which is used by those qualified tool and die businesses primarily for tool and die business operations. Qualified tool and die business property is used primarily for tool and die business operations if the qualified tool and die businesses that lease the qualified tool and die business property generate 75% or more of the qualified tool and die businesses' gross revenue from tool and die operations that take place on the qualified tool and die business property at the time of designation. The qualified tool and die business shall furnish proof of its ad valorem property tax liability to the department of treasury.

125.2689 Exemption, deduction, or credit.

Sec. 9. (1) Except as otherwise provided in section 10, an individual who is a resident of a renaissance zone or a business that is located and conducts business activity within a renaissance zone shall receive the exemption, deduction, or credit as provided in the following for the period provided under section 6(2)(b):

(a) Section 39b of former 1975 PA 228 or section 433 of the Michigan business tax act, 2007 PA 36, MCL 208.1433.

(b) Section 31 of the income tax act of 1967, 1967 PA 281, MCL 206.31.

(c) Section 35 of chapter 2 of the city income tax act, 1964 PA 284, MCL 141.635.

(d) Section 5 of the city utility users tax act, 1990 PA 100, MCL 141.1155.

(2) Except as otherwise provided in section 10, property located in a renaissance zone is exempt from the collection of taxes under all of the following:

(a) Section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff.

(b) Section 11 of 1974 PA 198, MCL 207.561.

(c) Section 12 of the commercial redevelopment act, 1978 PA 255, MCL 207.662.

(d) Section 21c of the enterprise zone act, 1985 PA 224, MCL 125.2121c.

(e) Section 1 of 1953 PA 189, MCL 211.181.

(f) Section 12 of the technology park development act, 1984 PA 385, MCL 207.712.

(g) Section 51105 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.51105.

(h) Section 9 of the neighborhood enterprise zone act, 1992 PA 147, MCL 207.779.

(3) During the last 3 years that the taxpayer is eligible for an exemption, deduction, or credit described in subsections (1) and (2), the exemption, deduction, or credit shall be reduced by the following percentages:

(a) For the tax year that is 2 years before the final year of designation as a renaissance zone, the percentage shall be 25%.

(b) For the tax year immediately preceding the final year of designation as a renaissance zone, the percentage shall be 50%.

(c) For the tax year that is the final year of designation as a renaissance zone, the percentage shall be 75%.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 496]

(SB 1487)

AN ACT to amend 1905 PA 157, entitled "An act to provide for the acquisition, maintenance, management, and control of township parks, resorts, bathing beaches, and places of recreation; to provide for the creation of a township park commission; to provide for a board of commissioners to provide for the issuance of bonds and the levy of taxes; to provide for the transfer of certain real property for parks; to authorize cities and villages to appropriate money for park purposes; to provide for the acquisition, construction, and use of wharves, piers, docks, and landing places in townships; to provide the powers and duties of certain local units of government and certain officials; and to prescribe penalties and provide remedies," (MCL 41.421 to 41.429) by amending the title, as amended by 1998 PA 160, and by adding sections 6g and 6h.

The People of the State of Michigan enact:

TITLE

An act to provide for the acquisition, maintenance, management, and control of township parks, resorts, bathing beaches, and places of recreation; to provide for the creation of a township park commission; to provide for the dissolution of a township park commission; to provide for a board of commissioners; to provide for the issuance of bonds and the levy of taxes; to provide for the transfer of certain real property for parks; to authorize cities and villages to appropriate money for park purposes; to provide for the acquisition, construction, and use of wharves, piers, docks, and landing places in townships; to provide the powers and duties of certain local units of government and certain officials; and to prescribe penalties and provide remedies.

41.426g Township park commission; dissolution; procedures.

Sec. 6g. (1) On receipt of a written petition signed by not less than 8% of the registered voters of a township, the township board of that township, at its first meeting after receipt of the petition, shall submit the question of dissolving the township park commission to the registered voters of the township at the next regular election to be held in the township. If a majority of the registered voters voting on the question vote in favor of dissolving the township park commission, the township park commission is dissolved.

(2) If a township park commission is dissolved pursuant to subsection (1), the powers and duties and all of the assets and liabilities of the township park commission shall be transferred to the township board of that township.

41.426h Township park commission; dissolution; validation; ratification.

Sec. 6h. Action taken by a township board to dissolve a township park commission that was approved by a majority of the township voters voting on the question at the November 2006 general election is validated and ratified, and the township park commission is dissolved.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 497]

(SB 1508)

AN ACT to amend 1956 PA 218, entitled "An act to revise, consolidate, and classify the laws relating to the insurance and surety business; to regulate the incorporation or formation of domestic insurance and surety companies and associations and the admission of foreign and alien companies and associations; to provide their rights, powers, and immunities and to prescribe the conditions on which companies and associations organized, existing, or authorized under this act may exercise their powers; to provide the rights, powers, and immunities and to prescribe the conditions on which other persons, firms, corporations, associations, risk retention groups, and purchasing groups engaged in an insurance or surety business may exercise their powers; to provide for the imposition of a privilege fee on domestic insurance companies and associations and the state accident fund; to provide for the imposition of a tax on the business of foreign and alien companies and associations; to provide for the imposition of a tax on risk retention groups and purchasing groups; to provide for the imposition of a tax on the business of surplus line agents; to provide for the imposition of regulatory fees on certain insurers; to provide for assessment fees on certain health maintenance organizations; to modify tort liability arising out of certain accidents; to provide for limited actions with respect to that modified tort liability and to prescribe certain procedures for maintaining those actions; to require security for losses arising out of certain accidents; to provide for the continued availability and affordability of automobile insurance and homeowners insurance in this state and to facilitate the purchase of that insurance by all residents of this state at fair and reasonable rates; to provide for certain reporting with respect to insurance and with respect to certain claims against uninsured or self-insured persons; to prescribe duties for certain state departments and officers with respect to that reporting; to provide for certain

assessments; to establish and continue certain state insurance funds; to modify and clarify the status, rights, powers, duties, and operations of the nonprofit malpractice insurance fund; to provide for the departmental supervision and regulation of the insurance and surety business within this state; to provide for regulation over worker's compensation self-insurers; to provide for the conservation, rehabilitation, or liquidation of unsound or insolvent insurers; to provide for the protection of policyholders, claimants, and creditors of unsound or insolvent insurers; to provide for associations of insurers to protect policyholders and claimants in the event of insurer insolvencies; to prescribe educational requirements for insurance agents and solicitors; to provide for the regulation of multiple employer welfare arrangements; to create an automobile theft prevention authority to reduce the number of automobile thefts in this state; to prescribe the powers and duties of the automobile theft prevention authority; to provide certain powers and duties upon certain officials, departments, and authorities of this state; to provide for an appropriation; to repeal acts and parts of acts; and to provide penalties for the violation of this act," by amending section 4424 (MCL 500.4424), as amended by 1998 PA 457.

The People of the State of Michigan enact:

500.4424 Discretionary groups; authorization; basis of refusal; size and composition; trustee as policyholder; authorizing discretionary groups and plans where no contribution to premium payment from employer or organization; determination by commissioner; fee; expenses; information; rules; appeal.

Sec. 4424. (1) The commissioner may authorize the insuring on a group insurance basis of groups other than those specifically defined in sections 4404 to 4420 if conditions or circumstances indicate that granting permission for discretionary group life insurance coverages is in the interest of public policy. This section does not limit the commissioner to only authorize those groups that are logically analagous in character and composition to the groups specifically defined in sections 4404 to 4420.

(2) The commissioner may refuse to grant permission in any instance on the basis of a finding that the requested group plan:

(a) Would not result in economies of acquisition and administration that justify a group rate.

(b) Would present hazards of voluntary adverse selection to a degree not usually present in group insurance.

(c) Would be actuarially unsound.

(d) Would fail to preclude individual selection among persons to be insured under the proposed group plan.

(3) The discretionary group shall consist of not less than 250 persons. The discretionary group may consist of only a portion of the employees of an employer or of the members of an organization, if segregation arises out of reasonable grounds, geographical or otherwise, that make it presently impossible or undesirable to include in a single group all of the employees or members. The discretionary group may consist of employees of more than 1 employer, or the members of more than 1 organization or association, if evidence submitted clearly indicates the desirability of embracing the proposed assemblage of individuals under a single group. By way of particular, but not in limitation, the group may consist of the employees of 1 or more governmental or quasigovernmental units, federal, state, municipal, or local.

(4) If, for reasons that the commissioner determines to be adequate, it appears to be impossible or infeasible for the employer to be the policyholder in any group authorized

under this section, the commissioner may authorize the designation of a trustee or trustees to be the policyholder, subject to rules the commissioner approves.

(5) The commissioner may authorize discretionary groups and plans of group insurance that qualify in all other respects under this section although there be no contribution to the premium payment from the employer or organization if the commissioner finds that circumstances render the contribution inequitable, impossible, or impracticable.

(6) The percentage of employees or members required to participate in any group authorized under this section, the types of insurance coverage to be offered to the members of the group, and the amounts of insurance to be provided, shall be as the commissioner determines.

(7) Before any application for permission to qualify under this section is considered, the applicant shall deposit with the commissioner a specific fee of $100.00 to defray the costs of examining into the circumstances and conditions appertaining to the proposed group and group insurance and shall covenant to compensate the office of financial and insurance regulation for any additional unusual expenses that it may incur. The applicant shall furnish such information, documents, and data pertaining to the proposed group plan as the commissioner requires to arrive at his or her determination. The commissioner shall, from time to time, promulgate rules for the enforcement of this section.

(8) The applicant may appeal from the commissioner's refusal to authorize the discretionary group to the circuit court for the county of Ingham on the grounds that the refusal is arbitrary or capricious and devoid of sound underwriting or actuarial grounds; but any fees or costs paid to or incurred by the office of financial and insurance regulation under subsection (7) is not subject to recovery.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 498]

(SB 1550)

AN ACT to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," by amending section 44a (MCL 211.44a), as amended by 2004 PA 357.

The People of the State of Michigan enact:

211.44a Summer property tax levy; imposition; collection; procedures; lien; interest; applicability of act to proceedings; establishment of revenue sharing reserve fund; expenditures by counties; limitations.

Sec. 44a. (1) Notwithstanding any other statutory or charter provision to the contrary, beginning in 2005 and each year after 2005, a county shall impose as a summer property tax levy that portion of the number of mills allocated to the county by a county tax allocation board or authorized for the county through a separate tax limitation vote as provided in this section. The treasurer that collects the state education tax shall collect the summer property tax levy under this section. The portion of the total number of mills allocated to a county by a county tax allocation board or authorized for a county through a separate tax limitation vote that shall be imposed in each year as a summer property tax levy under this section is as follows:

(a) In 2005, 1/3 of the total number of mills allocated to the county by a county tax allocation board or authorized for the county through a separate tax limitation vote.

(b) In 2006, 2/3 of the total number of mills allocated to the county by a county tax allocation board or authorized for the county through a separate tax limitation vote.

(c) In 2007 and each year after 2007, the total number of mills allocated to the county by a county tax allocation board or authorized for the county through a separate tax limitation vote.

(2) Before June 30 and in conformance with the procedures prescribed by this act, the taxes being collected as a summer property tax levy shall be spread in terms of millages on the assessment roll, the amount of tax levied shall be assessed in proportion to the taxable value, and a tax roll shall be prepared that commands the appropriate treasurer to collect on July 1 the taxes indicated as due on the tax roll.

(3) 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.

(4) All taxes and interest imposed pursuant to this section that are unpaid before March 1 shall be returned as delinquent on March 1 and collected pursuant to this act.

(5) Interest shall be added to taxes collected after September 14 at that rate imposed by section 78a on delinquent property tax levies that became a lien in the same year. The tax levied under this act that is collected with the city taxes shall be subject to the same penalties, interest, and collection charges as city taxes and shall be returned as delinquent to the county treasurer in the same manner and with the same interest, penalties, and fees as city taxes.

(6) All or a portion of the fees or charges, or both, authorized under section 44 may be imposed on taxes paid before March 1 and shall be retained by the treasurer actually performing the collection of the summer property tax levy pursuant to this section, regardless of whether all or part of these fees or charges, or both, have been waived by the township or city.

(7) Collections shall be remitted to the county for which the taxes were collected pursuant to section 43.

(8) To the extent applicable and consistent with the requirements of this section, this act shall apply to proceedings in relation to the assessment, spreading, and collection of taxes pursuant to this section.

(9) Each county shall establish a restricted fund known as the revenue sharing reserve fund. The total amount required to be placed in the revenue sharing reserve fund for each county shall equal the amount of that county's December 2004 property tax levy of the total

number of mills allocated to the county by a county tax allocation board or authorized for the county through a separate tax limitation vote, less any amount of tax levy captured and used under a tax increment financing plan under 1975 PA 197, MCL 125.1651 to 125.1681; the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830; the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174; or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, and shall be deposited in the revenue sharing reserve fund as provided in this section. Revenues credited to the revenue sharing reserve fund from the December tax levy of a county with a fiscal year ending December 31 shall be accrued to the fiscal year ending in the year of that December property tax levy. Revenue shall be credited to the fund by each county as follows:

(a) From the county's December 2004 property tax levy, 1/3 of the total December levy of the total number of mills allocated to the county by a county tax allocation board or authorized for the county through a separate tax limitation vote, less any amount of tax levy captured and used under a tax increment financing plan under 1975 PA 197, MCL 125.1651 to 125.1681; the tax increment finance authority act, 1980 PA 450, MCL 125.1801 to 125.1830; the local development financing act, 1986 PA 281, MCL 125.2151 to 125.2174; or the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672.

(b) From the county's December 2005 property tax levy, 1/2 of the remaining balance required to be deposited in the fund.

(c) From the county's December 2006 property tax levy, the balance required to be deposited in the fund.

(10) All of the following apply to a revenue sharing reserve fund established under subsection (9):

(a) Funds in the revenue sharing reserve fund may not be expended in any fiscal year except as provided in this section.

(b) Funds in the revenue sharing reserve fund may be used within a county fiscal year for cash flow purposes at the discretion of the county.

(c) Interest earnings on funds deposited in the revenue sharing reserve fund shall be credited to the revenue sharing reserve fund. However, the county is not required to reimburse the revenue sharing reserve fund for a reduction of interest earnings that occurs because funds in the revenue sharing reserve fund were used for cash flow purposes.

(d) The revenue sharing reserve fund shall be separately reported in the annual financial report required under section 4 of 1919 PA 71, MCL 21.44.

(11) For a county fiscal year that ends on December 31, 2004, a county may expend in that fiscal year an amount not to exceed the payments made to that county under the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, in October and December 2003 and, if the payment is accrued back to the county's 2003 fiscal year, February 2004.

(12) Not later than March 1, 2005, a county that receives a payment in October 2004 as provided in a bill making appropriations to the department of treasury for the 2004-05 fiscal year shall pay the amount of that payment to the state treasurer from the revenue sharing reserve fund. A county that does not make the payment required under this subsection shall not make any expenditures from the fund provided under subsection (13).

(13) For each fiscal year of a county that begins after September 30, 2004, a county may expend from the revenue sharing reserve fund an amount not to exceed the total payments made to that county under the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921, in the state fiscal year ending September 30, 2004, adjusted annually by the inflation rate, without regard to any executive orders issued after May 17, 2004. As used in this subsection, "inflation rate" means that term as defined in section 34d.

Amendatory act as curative; amount to be deposited in revenue reserve fund.

Enacting section 1. This amendatory act is curative and intended to clarify the requirements concerning the amount of money that a county was required to deposit in the revenue sharing reserve fund under section 44a(9) of the general property tax act, 1893 PA 206, MCL 211.44a.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 499]

(SB 1596)

AN ACT to amend 1969 PA 317, entitled "An act to revise and consolidate the laws relating to worker's disability compensation; to increase the administrative efficiency of the adjudicative processes of the worker's compensation system; to improve the qualifications of the persons having adjudicative functions within the worker's compensation system; to prescribe certain powers and duties; to create the board of worker's compensation magistrates and the worker's compensation appellate commission; to create certain other boards; to provide certain procedures for the resolution of claims, including mediation and arbitration; to prescribe certain benefits for persons suffering a personal injury under the act; to prescribe certain limitations on obtaining benefits under the act; to create, and provide for the transfer of, certain funds; to prescribe certain fees; to prescribe certain remedies and penalties; to repeal certain parts of this act on specific dates; and to repeal certain acts and parts of acts," by amending section 845 (MCL 418.845).

The People of the State of Michigan enact:

418.845 Out-of-state injuries; jurisdiction; benefits.

Sec. 845. The worker's compensation agency shall have jurisdiction over all controversies arising out of injuries suffered outside this state if the injured employee is employed by an employer subject to this act and if either the employee is a resident of this state at the time of injury or the contract of hire was made in this state. The employee or his or her dependents shall be entitled to the compensation and other benefits provided by this act.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 500]

(SB 1597)

AN ACT to amend 2005 PA 210, entitled "An act to provide for the establishment of commercial rehabilitation districts in certain local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain qualified facilities; to provide for the disposition of the tax; to provide for the obtaining and

transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of certain local governmental officials; and to provide penalties," by amending sections 2, 8, and 10 (MCL 207.842, 207.848, and 207.850), sections 2 and 8 as amended by 2008 PA 231.

The People of the State of Michigan enact:

207.842 Definitions.

Sec. 2. As used in this act:

(a) "Commercial property" means land improvements classified by law for general ad valorem tax purposes as real property including real property assessable as personal property pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, the primary purpose and use of which is the operation of a commercial business enterprise or multifamily residential use. Commercial property shall also include facilities related to a commercial business enterprise under the same ownership at that location, including, but not limited to, office, engineering, research and development, warehousing, parts distribution, retail sales, and other commercial activities. Commercial property also includes a building or group of contiguous buildings previously used for industrial purposes that will be converted to the operation of a commercial business enterprise. Commercial property does not include any of the following:

(*i*) Land.

(*ii*) Property of a public utility.

(b) "Commercial rehabilitation district" or "district" means an area not less than 3 acres in size of a qualified local governmental unit established as provided in section 3. However, if the commercial rehabilitation district is located in a downtown or business area or contains a qualified retail food establishment, as determined by the legislative body of the qualified local governmental unit, the district may be less than 3 acres in size.

(c) "Commercial rehabilitation exemption certificate" or "certificate" means the certificate issued under section 6.

(d) "Commercial rehabilitation tax" means the specific tax levied under this act.

(e) "Commission" means the state tax commission created by 1927 PA 360, MCL 209.101 to 209.107.

(f) "Department" means the department of treasury.

(g) "Multifamily residential use" means multifamily housing consisting of 5 or more units.

(h) "Qualified facility" means a qualified retail food establishment or a building or group of contiguous buildings of commercial property that is 15 years old or older or has been allocated for a new markets tax credit under section 45d of the internal revenue code, 26 USC 45d. Qualified facility also includes vacant property located in a city with a population of more than 36,000 and less than 37,000 according to the 2000 federal decennial census and from which a previous structure has been demolished and on which commercial property will be newly constructed. A qualified facility does not include property that is to be used as a professional sports stadium. A qualified facility does not include property that is to be used as a casino. As used in this subdivision, "casino" means a casino or a parking lot, hotel, motel, or retail store owned or operated by a casino, an affiliate, or an affiliated company, regulated by this state pursuant to the Michigan gaming control and revenue act, 1996 IL 1, MCL 432.201 to 432.226.

(i) "Qualified local governmental unit" means a city, village, or township.

(j) "Qualified retail food establishment" means property that meets all of the following:

(*i*) The property will be used primarily as a retail supermarket, grocery store, produce market, or delicatessen that offers unprocessed USDA-inspected meat and poultry products or meat products that carry the USDA organic seal, fresh fruits and vegetables, and dairy products for sale to the public.

(*ii*) The property meets 1 of the following:

(A) Is located in a qualified local governmental unit that is also located in a qualified local governmental unit as defined in section 2 of the obsolete property rehabilitation act, 2000 PA 146, MCL 125.2782, and is located in an underserved area.

(B) Is located in a qualified local governmental unit that is designated as rural as defined by the United States census bureau and is located in an underserved area.

(*iii*) The property was used as residential, commercial, or industrial property as allowed and conducted under the applicable zoning ordinance for the immediately preceding 30 years.

(k) "Rehabilitation" means changes to a qualified facility that are required to restore or modify the property, together with all appurtenances, to an economically efficient condition. Rehabilitation includes major renovation and modification including, but not necessarily limited to, the improvement of floor loads, correction of deficient or excessive height, new or improved fixed building equipment, including heating, ventilation, and lighting, reducing multistory facilities to 1 or 2 stories, improved structural support including foundations, improved roof structure and cover, floor replacement, improved wall placement, improved exterior and interior appearance of buildings, and other physical changes required to restore or change the property to an economically efficient condition. Rehabilitation for a qualified retail food establishment also includes new construction. Rehabilitation also includes new construction on vacant property from which a previous structure has been demolished and if the new construction is an economic benefit to the local community as determined by the qualified local governmental unit. Rehabilitation shall not include improvements aggregating less than 10% of the true cash value of the property at commencement of the rehabilitation of the qualified facility.

(*l*) "Taxable value" means the value determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(m) "Underserved area" means an area determined by the Michigan department of agriculture that contains a low or moderate income census tract and a below average supermarket density, an area that has a supermarket customer base with more than 50% living in a low income census tract, or an area that has demonstrated significant access limitations due to travel distance.

207.848 Separate finding; contents; compliance; requirements.

Sec. 8. (1) If the taxable value of the property proposed to be exempt pursuant to an application under consideration, considered together with the aggregate taxable value of property exempt under certificates previously granted and currently in force under this act or under 1974 PA 198, MCL 207.551 to 207.572, exceeds 5% of the taxable value of the qualified local governmental unit, the legislative body of the qualified local governmental unit shall make a separate finding and shall include a statement in its resolution approving the application that exceeding that amount shall not have the effect of substantially impeding the operation of the qualified local governmental unit or impairing the financial soundness of an affected taxing unit.

(2) The legislative body of the qualified local governmental unit shall not approve an application for a commercial rehabilitation exemption certificate unless the applicant complies with all of the following requirements:

(a) Except as otherwise provided in this subdivision, the commencement of the rehabilitation of the qualified facility does not occur earlier than 6 months before the applicant files the application for the commercial rehabilitation exemption certificate. However, through December 31, 2009, for a qualified facility that is a qualified retail food establishment, the commencement of the rehabilitation does not occur earlier than 42 months before the applicant files the application for the commercial rehabilitation exemption certificate.

(b) The application relates to a rehabilitation program that when completed constitutes a qualified facility within the meaning of this act and that shall be situated within a commercial rehabilitation district established in a qualified local governmental unit eligible under this act.

(c) Completion of the qualified facility is calculated to, and will at the time of issuance of the certificate have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the qualified facility is situated.

(d) The applicant states, in writing, that the rehabilitation of the qualified facility, excluding qualified retail food establishments through December 31, 2009, would not be undertaken without the applicant's receipt of the exemption certificate.

(e) The applicant is not delinquent in the payment of any taxes related to the qualified facility.

207.850 Commercial rehabilitation tax; determination of amount; payment; exemption; qualified retail food establishment; certificate issued before December 31, 2009.

Sec. 10. (1) There is levied upon every owner of a qualified facility to which a commercial rehabilitation exemption certificate is issued a specific tax to be known as the commercial rehabilitation tax.

(2) Except as otherwise provided in subsection (8), the amount of the commercial rehabilitation tax, in each year, shall be determined by adding the results of both of the following calculations:

(a) Multiplying the total mills levied as ad valorem taxes for that year by all taxing units within which the qualified facility is located by the taxable value of the real and personal property of the qualified facility on the December 31 immediately preceding the effective date of the commercial rehabilitation exemption certificate after deducting the taxable value of the land and of personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, for the tax year immediately preceding the effective date of the commercial rehabilitation exemption certificate.

(b) Multiplying the mills levied for school operating purposes for that year under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, and the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, by the taxable value of the real and personal property of the qualified facility, after deducting all of the following:

(*i*) The taxable value of the land and of the personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14.

(*ii*) The taxable value used to calculate the tax under subdivision (a).

(3) The commercial rehabilitation tax is an annual tax, payable at the same times, in the same installments, and to the same officer or officers as taxes imposed under the general

property tax act, 1893 PA 206, MCL 211.1 to 211.155, are payable. Except as otherwise provided in this section, the officer or officers shall disburse the commercial rehabilitation tax payments received by the officer or officers each year to and among this state, cities, school districts, counties, and authorities, at the same times and in the same proportions as required by law for the disbursement of taxes collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155.

(4) For intermediate school districts receiving state aid under sections 56, 62, and 81 of the state school aid act of 1979, 1979 PA 94, MCL 388.1656, 388.1662, and 388.1681, of the amount of commercial rehabilitation tax that would otherwise be disbursed to an intermediate school district, all or a portion, to be determined on the basis of the tax rates being utilized to compute the amount of state aid, shall be paid to the state treasury to the credit of the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(5) The amount of commercial rehabilitation tax described in subsections (2)(a) and (8)(a) that would otherwise be disbursed to a local school district for school operating purposes, and all of the amount described in subsections (2)(b) and (8)(b), shall be paid instead to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(6) The officer or officers shall send a copy of the amount of disbursement made to each unit under this section to the commission on a form provided by the commission.

(7) A qualified facility located in a renaissance zone under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, is exempt from the commercial rehabilitation tax levied under this act to the extent and for the duration provided pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, except for that portion of the commercial rehabilitation tax attributable to a special assessment or a tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff. The commercial rehabilitation tax calculated under this subsection shall be disbursed proportionately to the taxing unit or units that levied the special assessment or the tax described in section 7ff(2) of the general property tax act, 1893 PA 206, MCL 211.7ff.

(8) The amount of the commercial rehabilitation tax, in each year, for a qualified retail food establishment that was issued a certificate on or before December 31, 2009, shall be determined by adding the results of both of the following calculations:

(a) Multiplying the total mills levied as ad valorem taxes for that year by all taxing units within which the qualified facility is located by the taxable value of the real and personal property of the qualified facility on the December 31 immediately preceding the rehabilitation after deducting the taxable valuation of the land and of personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14, for the tax year immediately preceding the rehabilitation.

(b) Multiplying the mills levied for school operating purposes for that year under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852, and the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, by the taxable value of the real and personal property of the qualified retail food establishment, after deducting all of the following:

(*i*) The taxable value of the land and of the personal property other than personal property assessed pursuant to sections 8(d) and 14(6) of the general property tax act, 1893 PA 206, MCL 211.8 and 211.14.

(*ii*) The taxable value used to calculate the tax under subdivision (a).

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 501]

(SB 494)

AN ACT to amend 1951 PA 51, entitled "An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, local bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts," by amending section 1h (MCL 247.651h), as added by 1997 PA 79.

The People of the State of Michigan enact:

247.651h Life-cycle cost analysis; "life-cycle cost" defined; use of historical and comparable data from other states.

Sec. 1h. (1) The department shall develop and implement a life-cycle cost analysis for each project for which total pavement costs exceed $1,000,000.00 funded in whole, or in part, with state funds. The department shall design and award paving projects utilizing material having the lowest life-cycle cost. All pavement design life shall ensure that state funds are utilized as efficiently as possible.

(2) As used in this section, "life-cycle cost" means the total of the cost of the initial project plus all anticipated costs for subsequent maintenance, repair, or resurfacing over the life of the pavement.

(3) Except as otherwise provided in this section, life-cycle cost shall compare equivalent designs and shall be based upon Michigan's actual historic project maintenance, repair, and resurfacing schedules and costs as recorded by the pavement management system, and shall include estimates of user costs throughout the entire pavement life.

(4) For pavement projects for which there are no Michigan actual historic project maintenance, repair, and resurfacing schedules and costs as recorded by the pavement management system, the department may use actual historical and comparable data for equivalent designs from states with similar climates, soil structures, or vehicle traffic.

Legislative intent.

Enacting section 1. The legislature intends that this amendatory act provide the department with the necessary flexibility to utilize pavement designs which have not been used in Michigan but have been used successfully in other states.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 502]

(HB 6113)

AN ACT to amend 1961 PA 88, entitled "An act to provide for the preservation and continuity of retirement system service credits for public employees who transfer their employment between units of government," by amending sections 4 and 5 (MCL 38.1104 and 38.1105), as amended by 1990 PA 274.

The People of the State of Michigan enact:

38.1104 Reciprocal retirement system; eligibility for retirement allowance; conditions; commencement of retirement allowance.

Sec. 4. A member of a reciprocal retirement system who leaves the employ of a reciprocal unit, designated as the preceding reciprocal unit, and enters the employ of another governmental unit, designated as the succeeding governmental unit, shall be entitled to a retirement allowance payable by the preceding reciprocal unit's retirement system subject to the following conditions:

(a) The member has 30 months or more of credited service in force acquired in the employ of the preceding reciprocal unit.

(b) Beginning September 1, 2006, the member does not withdraw his or her accumulated deposits from the preceding reciprocal unit's retirement system, or if the member has withdrawn the accumulated deposits, the member deposits with the preceding reciprocal unit the amount withdrawn together with interest compounded annually at the rate in effect for the preceding reciprocal unit; the deposit to be made within 20 years after the date the member becomes employed by the succeeding governmental unit.

(c) Beginning September 1, 2006, the member enters the employ of each succeeding governmental unit within 20 years after the date of leaving the employ of each preceding governmental unit.

(d) The member's credited service in force with the preceding reciprocal retirement systems plus the member's credited service acquired in the employ of succeeding governmental units equals or exceeds the minimum credited service required for age and service retirement in the applicable preceding reciprocal retirement system.

(e) The retirement allowance payable by any preceding reciprocal retirement system shall be determined at the time the member ceased to be a member of the preceding reciprocal retirement system, upon the basis of the retirement allowance formula of the preceding

reciprocal retirement system, the member's credited service in force in the preceding reciprocal retirement system, and the member's final average salary at that time.

(f) Payment of a retirement allowance by a preceding reciprocal retirement system shall begin on the first day of the second calendar month immediately following the month in which proper written application is filed with the governing body of the preceding reciprocal retirement system on or after attainment of 60 years of age. The retirement allowance shall not begin before attainment of the minimum age for age and service retirement required in the preceding reciprocal retirement system.

38.1105 Credited service generally.

Sec. 5. A member of a reciprocal retirement system who has 30 months or more of credited service acquired as a member of the system and who has attained the age but has not met the service requirements for age and service retirement shall be entitled to use his or her credited service in force previously acquired as a member of governmental unit retirement systems in meeting the service requirements of the system from which he or she retires. Beginning September 1, 2006, if the member has a break in governmental unit employment for a period longer than 20 years, his or her service rendered in the employ of the governmental units prior to his or her last break in service shall not be used in satisfying the service requirement for age and service retirement in the system from which he or she retires. Except as provided in section 6, credited service acquired in a governmental unit in which the member was previously employed shall not be used in determining the amount of his or her retirement allowance payable by the reciprocal retirement system from which he or she retires unless otherwise provided by the retirement system.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 503]

(HB 6307)

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law;

to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates," (MCL 333.1101 to 333.25211) by adding section 16631.

The People of the State of Michigan enact:

333.16631 Applicability of section to dentist who uses dental amalgam and who removes dental amalgam; exceptions; procedures; rules; violations; preemption.

Sec. 16631. (1) Except as otherwise provided, this section applies to a dentist who uses dental amalgam and to a dentist who removes dental amalgam. This section does not apply to any of the following:

(a) Oral and maxillofacial surgeons.

(b) Oral and maxillofacial radiologists.

(c) Oral pathologists.

(d) Orthodontists.

(e) Periodontists.

(f) Dentists while providing services in a dental school, in a hospital, or through a local health department.

(2) On or before December 31, 2013, a dentist described in subsection (1) shall install or have installed and use on each wastewater drain in the dentist's office that is used to discharge dental amalgam a separator that has an efficiency of 95% or more as determined through testing in accordance with standards published by the international organization for standardization in ISO 11143:2008 "Dental equipment — Amalgam separators".

(3) On or before the expiration of 90 days after the effective date of this section, the department, in consultation with the department of environmental quality, shall promulgate rules regarding best management practice for dental amalgam collection, disposal, and recycling and the retention and inspection of dental office records regarding the following:

(a) The make, model, and type of dental amalgam separator installed and in use in the office.

(b) The method used to dispose of or recycle the dental amalgam waste collected.

(c) The shipping or other delivery records documenting the transfer of the dental amalgam waste collected to licensed recyclers or disposers.

(d) The proper operation of the dental amalgam separator, including scheduled maintenance as specified in the manufacturer's owner's manual for that separator.

(e) Compliance with dental amalgam best management practices.

(4) A violation of subsection (1) or (2) or a rule promulgated under subsection (3) is a violation of section 16221(h).

(5) Beginning on the effective date of this section and subject to this subsection, this section preempts and supersedes any local ordinance, regulation, or resolution that imposes conflicting, different, or additional standards or requirements on dentists than those contained in this section or rules promulgated by the board under this section. A local unit of government may enact, adopt, maintain, amend, or enforce an ordinance, regulation, or resolution that requires implementation of the requirement in subsections (2) and (3) before the date required in subsection (2). A local unit of government shall not enact, adopt, maintain, or enforce an ordinance, regulation, or resolution that imposes conflicting, different, or

additional standards or requirements on dentists than those contained in this section or rules promulgated by the board under this section, including, but not limited to, the requirement to obtain a permit that limits the discharge of mercury into wastewater with a limitation greater than that capable of being achieved by full compliance with this section.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 504]

(HB 6420)

AN ACT to amend 2000 PA 146, entitled "An act to provide for the establishment of obsolete property rehabilitation districts in certain local governmental units; to provide for the exemption from certain taxes; to levy and collect a specific tax upon the owners of certain facilities; to provide for the disposition of the tax; to provide for the obtaining and transferring of an exemption certificate and to prescribe the contents of those certificates; to prescribe the powers and duties of certain local government officials; and to provide penalties," by amending section 8 (MCL 125.2788), as amended by 2006 PA 667.

The People of the State of Michigan enact:

125.2788 Taxable value of property proposed to be exempt; application; limitation; separate finding by legislative body of qualified local governmental unit; statement; requirements for approval of application; effective date of certificate.

Sec. 8. (1) If the taxable value of the property proposed to be exempt pursuant to an application under consideration, considered together with the aggregate taxable value of property exempt under certificates previously granted and currently in force under this act or under 1974 PA 198, MCL 207.551 to 207.572, exceeds 5% of the taxable value of the qualified local governmental unit, the legislative body of the qualified local governmental unit shall make a separate finding and shall include a statement in its resolution approving the application that exceeding that amount shall not have the effect of substantially impeding the operation of the qualified local governmental unit or impairing the financial soundness of an affected taxing unit.

(2) The legislative body of the qualified local governmental unit shall not approve an application for an obsolete property exemption certificate unless the applicant complies with all of the following requirements:

(a) Except as otherwise provided in subsection (3), the commencement of the rehabilitation of the facility does not occur before the establishment of the obsolete property rehabilitation district.

(b) The application relates to a rehabilitation program that when completed constitutes a rehabilitated facility within the meaning of this act and that shall be situated within an obsolete property rehabilitation district established in a qualified local governmental unit eligible under this act to establish such a district.

(c) Completion of the rehabilitated facility is calculated to, and will at the time of issuance of the certificate have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated.

(d) The applicant states, in writing, that the rehabilitation of the facility would not be undertaken without the applicant's receipt of the exemption certificate.

(e) The applicant is not delinquent in the payment of any taxes related to the facility.

(3) The legislative body of a qualified local governmental unit may approve an application for an obsolete property exemption certificate if the commencement of the rehabilitation of the facility occurs before the establishment of the obsolete property rehabilitation district and if 1 or more of the following are met:

(a) All of the following are met:

(*i*) The building permit for the rehabilitation of the facility was obtained in October 2002.

(*ii*) The obsolete property rehabilitation district was created in April 2002.

(*iii*) The rehabilitation of the facility included adding additional stories to the facility.

(b) All of the following are met:

(*i*) Emergency or temporary repairs or improvements were made before the establishment of the obsolete property rehabilitation district.

(*ii*) The obsolete property rehabilitation district was created in January 2006.

(*iii*) The facility is located in a city with a population of more than 20,500 and less than 27,000 and is located in a county with a population of more than 95,000 and less than 105,000.

(c) All of the following are met:

(*i*) Roof repairs or improvements were completed in March 2006 before the establishment of the obsolete property rehabilitation district.

(*ii*) The obsolete property rehabilitation district was created in April 2006.

(*iii*) The application was submitted to the qualified local governmental unit in April 2006.

(*iv*) The facility is located in a city with a population of more than 10,800 and less than 11,100 and is located in a county with a population of more than 39,000 and less than 42,000.

(4) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (3)(a) and (b), the effective date of the certificate shall be December 31, 2006.

(5) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (3)(c), the effective date of the certificate shall be December 31, 2006.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 505]

(HB 6437)

AN ACT to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent

tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," by amending section 7q (MCL 211.7q), as added by 1980 PA 142.

The People of the State of Michigan enact:

211.7q Boy or girl scout or camp fire girls organization; 4-H club or foundation; young men's or young women's Christian association; exemption; limitation; waiver of residence requirement.

Sec. 7q. (1) Except as otherwise provided in subsections (2) and (3), real property owned by a boy or girl scout or camp fire girls organization, a 4-H club or foundation, or a young men's Christian association or young women's Christian association is exempt from the collection of taxes under this act, if at least 50% of the members of the association or organization are residents of this state.

(2) The exemption under subsection (1) is limited as follows:

(a) Before December 31, 2008, not to exceed 400 acres for each individual boy or girl scout or camp fire girls organization, 4-H club or foundation, or young men's Christian association or young women's Christian association.

(b) After December 30, 2008, not to exceed 480 acres for each individual boy or girl scout or camp fire girls organization, 4-H club or foundation, or young men's Christian association or young women's Christian association. However, if a boy or girl scout or camp fire girls organization, a 4-H club or foundation, or a young men's Christian association or young women's Christian association reorganizes, merges, affiliates, or in some other manner consolidates with another boy or girl scout or camp fire girls organization, 4-H club or foundation, or young men's Christian association or young women's Christian association after December 30, 2007, the total exemption available under subsection (1) to the consolidated or surviving entity shall be 480 acres times the number of individual boy or girl scout or camp fire girls organizations, 4-H clubs or foundations, or young men's Christian associations or young women's Christian associations that took part in the reorganization, merger, affiliation, or consolidation.

(3) Upon petition of the association or organization the county board of commissioners may waive the residence requirement under subsection (1) while the real property is occupied by the association or organization solely for the purpose for which the association or organization was incorporated or established.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 506]

(HB 6438)

AN ACT to amend 1893 PA 206, entitled "An act to provide for the assessment of rights and interests, including leasehold interests, in property and the levy and collection of taxes

on property, and for the collection of taxes levied; making those taxes a lien on the property taxed, establishing and continuing the lien, providing for the sale or forfeiture and conveyance of property delinquent for taxes, and for the inspection and disposition of lands bid off to the state and not redeemed or purchased; to provide for the establishment of a delinquent tax revolving fund and the borrowing of money by counties and the issuance of notes; to define and limit the jurisdiction of the courts in proceedings in connection with property delinquent for taxes; to limit the time within which actions may be brought; to prescribe certain limitations with respect to rates of taxation; to prescribe certain powers and duties of certain officers, departments, agencies, and political subdivisions of this state; to provide for certain reimbursements of certain expenses incurred by units of local government; to provide penalties for the violation of this act; and to repeal acts and parts of acts," by amending section 27a (MCL 211.27a), as amended by 2006 PA 446.

The People of the State of Michigan enact:

211.27a Property tax assessment; determining taxable value; adjustment; exception; "transfer of ownership" defined; qualified agricultural property; notice of transfer of property; applicability of subsection (10); definitions.

Sec. 27a. (1) Except as otherwise provided in this section, property shall be assessed at 50% of its true cash value under section 3 of article IX of the state constitution of 1963.

(2) Except as otherwise provided in subsection (3), for taxes levied in 1995 and for each year after 1995, the taxable value of each parcel of property is the lesser of the following:

(a) The property's taxable value in the immediately preceding year minus any losses, multiplied by the lesser of 1.05 or the inflation rate, plus all additions. For taxes levied in 1995, the property's taxable value in the immediately preceding year is the property's state equalized valuation in 1994.

(b) The property's current state equalized valuation.

(3) Upon a transfer of ownership of property after 1994, the property's taxable value for the calendar year following the year of the transfer is the property's state equalized valuation for the calendar year following the transfer.

(4) If the taxable value of property is adjusted under subsection (3), a subsequent increase in the property's taxable value is subject to the limitation set forth in subsection (2) until a subsequent transfer of ownership occurs. If the taxable value of property is adjusted under subsection (3) and the assessor determines that there had not been a transfer of ownership, the taxable value of the property shall be adjusted at the July or December board of review. Notwithstanding the limitation provided in section 53b(1) on the number of years for which a correction may be made, the July or December board of review may adjust the taxable value of property under this subsection for the current year and for the 3 immediately preceding calendar years. A corrected tax bill shall be issued for each tax year for which the taxable value is adjusted by the local tax collecting unit if the local tax collecting unit has possession of the tax roll or by the county treasurer if the county has possession of the tax roll. For purposes of section 53b, an adjustment under this subsection shall be considered the correction of a clerical error.

(5) Assessment of property, as required in this section and section 27, is inapplicable to the assessment of property subject to the levy of ad valorem taxes within voted tax limitation increases to pay principal and interest on limited tax bonds issued by any governmental unit, including a county, township, community college district, or school district, before January 1, 1964, if the assessment required to be made under this act would be less than the assessment

as state equalized prevailing on the property at the time of the issuance of the bonds. This inapplicability shall continue until levy of taxes to pay principal and interest on the bonds is no longer required. The assessment of property required by this act shall be applicable for all other purposes.

(6) As used in this act, "transfer of ownership" means the conveyance of title to or a present interest in property, including the beneficial use of the property, the value of which is substantially equal to the value of the fee interest. Transfer of ownership of property includes, but is not limited to, the following:

(a) A conveyance by deed.

(b) A conveyance by land contract. The taxable value of property conveyed by a land contract executed after December 31, 1994 shall be adjusted under subsection (3) for the calendar year following the year in which the contract is entered into and shall not be subsequently adjusted under subsection (3) when the deed conveying title to the property is recorded in the office of the register of deeds in the county in which the property is located.

(c) A conveyance to a trust after December 31, 1994, except if the settlor or the settlor's spouse, or both, conveys the property to the trust and the sole present beneficiary or beneficiaries are the settlor or the settlor's spouse, or both.

(d) A conveyance by distribution from a trust, except if the distributee is the sole present beneficiary or the spouse of the sole present beneficiary, or both.

(e) A change in the sole present beneficiary or beneficiaries of a trust, except a change that adds or substitutes the spouse of the sole present beneficiary.

(f) A conveyance by distribution under a will or by intestate succession, except if the distributee is the decedent's spouse.

(g) A conveyance by lease if the total duration of the lease, including the initial term and all options for renewal, is more than 35 years or the lease grants the lessee a bargain purchase option. As used in this subdivision, "bargain purchase option" means the right to purchase the property at the termination of the lease for not more than 80% of the property's projected true cash value at the termination of the lease. After December 31, 1994, the taxable value of property conveyed by a lease with a total duration of more than 35 years or with a bargain purchase option shall be adjusted under subsection (3) for the calendar year following the year in which the lease is entered into. This subdivision does not apply to personal property except buildings described in section 14(6) and personal property described in section 8(h), (i), and (j). This subdivision does not apply to that portion of the property not subject to the leasehold interest conveyed.

(h) A conveyance of an ownership interest in a corporation, partnership, sole proprietorship, limited liability company, limited liability partnership, or other legal entity if the ownership interest conveyed is more than 50% of the corporation, partnership, sole proprietorship, limited liability company, limited liability partnership, or other legal entity. Unless notification is provided under subsection (10), the corporation, partnership, sole proprietorship, limited liability company, limited liability partnership, or other legal entity shall notify the assessing officer on a form provided by the state tax commission not more than 45 days after a conveyance of an ownership interest that constitutes a transfer of ownership under this subdivision.

(i) A transfer of property held as a tenancy in common, except that portion of the property not subject to the ownership interest conveyed.

(j) A conveyance of an ownership interest in a cooperative housing corporation, except that portion of the property not subject to the ownership interest conveyed.

(7) Transfer of ownership does not include the following:

(a) The transfer of property from 1 spouse to the other spouse or from a decedent to a surviving spouse.

(b) A transfer from a husband, a wife, or a husband and wife creating or disjoining a tenancy by the entireties in the grantors or the grantor and his or her spouse.

(c) A transfer of that portion of property subject to a life estate or life lease retained by the transferor, until expiration or termination of the life estate or life lease. That portion of property transferred that is not subject to a life lease shall be adjusted under subsection (3).

(d) A transfer through foreclosure or forfeiture of a recorded instrument under chapter 31, 32, or 57 of the revised judicature act of 1961, 1961 PA 236, MCL 600.3101 to 600.3285 and MCL 600.5701 to 600.5759, or through deed or conveyance in lieu of a foreclosure or forfeiture, until the mortgagee or land contract vendor subsequently transfers the property. If a mortgagee does not transfer the property within 1 year of the expiration of any applicable redemption period, the property shall be adjusted under subsection (3).

(e) A transfer by redemption by the person to whom taxes are assessed of property previously sold for delinquent taxes.

(f) A conveyance to a trust if the settlor or the settlor's spouse, or both, conveys the property to the trust and the sole present beneficiary of the trust is the settlor or the settlor's spouse, or both.

(g) A transfer pursuant to a judgment or order of a court of record making or ordering a transfer, unless a specific monetary consideration is specified or ordered by the court for the transfer.

(h) A transfer creating or terminating a joint tenancy between 2 or more persons if at least 1 of the persons was an original owner of the property before the joint tenancy was initially created and, if the property is held as a joint tenancy at the time of conveyance, at least 1 of the persons was a joint tenant when the joint tenancy was initially created and that person has remained a joint tenant since the joint tenancy was initially created. A joint owner at the time of the last transfer of ownership of the property is an original owner of the property. For purposes of this subdivision, a person is an original owner of property owned by that person's spouse.

(i) A transfer for security or an assignment or discharge of a security interest.

(j) A transfer of real property or other ownership interests among members of an affiliated group. As used in this subsection, "affiliated group" means 1 or more corporations connected by stock ownership to a common parent corporation. Upon request by the state tax commission, a corporation shall furnish proof within 45 days that a transfer meets the requirements of this subdivision. A corporation that fails to comply with a request by the state tax commission under this subdivision is subject to a fine of $200.00.

(k) Normal public trading of shares of stock or other ownership interests that, over any period of time, cumulatively represent more than 50% of the total ownership interest in a corporation or other legal entity and are traded in multiple transactions involving unrelated individuals, institutions, or other legal entities.

(*l*) A transfer of real property or other ownership interests among corporations, partnerships, limited liability companies, limited liability partnerships, or other legal entities if the entities involved are commonly controlled. Upon request by the state tax commission, a corporation, partnership, limited liability company, limited liability partnership, or other legal entity shall furnish proof within 45 days that a transfer meets the requirements of this

subdivision. A corporation, partnership, limited liability company, limited liability partnership, or other legal entity that fails to comply with a request by the state tax commission under this subdivision is subject to a fine of $200.00.

(m) A direct or indirect transfer of real property or other ownership interests resulting from a transaction that qualifies as a tax-free reorganization under section 368 of the internal revenue code, 26 USC 368. Upon request by the state tax commission, a property owner shall furnish proof within 45 days that a transfer meets the requirements of this subdivision. A property owner who fails to comply with a request by the state tax commission under this subdivision is subject to a fine of $200.00.

(n) A transfer of qualified agricultural property, if the person to whom the qualified agricultural property is transferred files an affidavit with the assessor of the local tax collecting unit in which the qualified agricultural property is located and with the register of deeds for the county in which the qualified agricultural property is located attesting that the qualified agricultural property shall remain qualified agricultural property. The affidavit under this subdivision shall be in a form prescribed by the department of treasury. An owner of qualified agricultural property shall inform a prospective buyer of that qualified agricultural property that the qualified agricultural property is subject to the recapture tax provided in the agricultural property recapture act, 2000 PA 261, MCL 211.1001 to 211.1007, if the qualified agricultural property is converted by a change in use. If property ceases to be qualified agricultural property at any time after being transferred, all of the following shall occur:

(*i*) The taxable value of that property shall be adjusted under subsection (3) as of the December 31 in the year that the property ceases to be qualified agricultural property.

(*ii*) The property is subject to the recapture tax provided for under the agricultural property recapture act, 2000 PA 261, MCL 211.1001 to 211.1007.

(o) A transfer of qualified forest property, if the person to whom the qualified forest property is transferred files an affidavit with the assessor of the local tax collecting unit in which the qualified forest property is located and with the register of deeds for the county in which the qualified forest property is located attesting that the qualified forest property shall remain qualified forest property. The affidavit under this subdivision shall be in a form prescribed by the department of treasury. An owner of qualified forest property shall inform a prospective buyer of that qualified forest property that the qualified forest property is subject to the recapture tax provided in the qualified forest property recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036, if the qualified forest property is converted by a change in use. If property ceases to be qualified forest property at any time after being transferred, all of the following shall occur:

(*i*) The taxable value of that property shall be adjusted under subsection (3) as of the December 31 in the year that the property ceases to be qualified forest property.

(*ii*) The property is subject to the recapture tax provided for under the qualified forest property recapture tax act, 2006 PA 379, MCL 211.1031 to 211.1036.

(p) Beginning on the effective date of the amendatory act that added this subdivision, a transfer of land, but not buildings or structures located on the land, which meets 1 or more of the following requirements:

(*i*) The land is subject to a conservation easement under subpart 11 of part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2140 to 324.2144. As used in this subparagraph, "conservation easement" means that term as defined in section 2140 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2140.

(*ii*) A transfer of ownership of the land or a transfer of an interest in the land is eligible for a deduction as a qualified conservation contribution under section 170(h) of the internal revenue code, 26 USC 170.

(q) A transfer of real property or other ownership interests resulting from a consolidation or merger of a domestic nonprofit corporation that is a boy or girl scout or camp fire girls organization, a 4-H club or foundation, a young men's Christian association, or a young women's Christian association and at least 50% of the members of that organization or association are residents of this state.

(8) If all of the following conditions are satisfied, the local tax collecting unit shall revise the taxable value of qualified agricultural property taxable on the tax roll in the possession of that local tax collecting unit to the taxable value that qualified agricultural property would have had if there had been no transfer of ownership of that qualified agricultural property since December 31, 1999 and there had been no adjustment of that qualified agricultural property's taxable value under subsection (3) since December 31, 1999:

(a) The qualified agricultural property was qualified agricultural property for taxes levied in 1999 and each year after 1999.

(b) The owner of the qualified agricultural property files an affidavit with the assessor of the local tax collecting unit under subsection (7)(n).

(9) If the taxable value of qualified agricultural property is adjusted under subsection (8), the owner of that qualified agricultural property shall not be entitled to a refund for any property taxes collected under this act on that qualified agricultural property before the adjustment under subsection (8).

(10) The register of deeds of the county where deeds or other title documents are recorded shall notify the assessing officer of the appropriate local taxing unit not less than once each month of any recorded transaction involving the ownership of property and shall make any recorded deeds or other title documents available to that county's tax or equalization department. Unless notification is provided under subsection (6), the buyer, grantee, or other transferee of the property shall notify the appropriate assessing office in the local unit of government in which the property is located of the transfer of ownership of the property within 45 days of the transfer of ownership, on a form prescribed by the state tax commission that states the parties to the transfer, the date of the transfer, the actual consideration for the transfer, and the property's parcel identification number or legal description. Forms filed in the assessing office of a local unit of government under this subsection shall be made available to the county tax or equalization department for the county in which that local unit of government is located. This subsection does not apply to personal property except buildings described in section 14(6) and personal property described in section 8(h), (i), and (j).

(11) As used in this section:

(a) "Additions" means that term as defined in section 34d.

(b) "Beneficial use" means the right to possession, use, and enjoyment of property, limited only by encumbrances, easements, and restrictions of record.

(c) "Converted by a change in use" means that term as defined in the agricultural property recapture act, 2000 PA 261, MCL 211.1001 to 211.1007.

(d) "Inflation rate" means that term as defined in section 34d.

(e) "Losses" means that term as defined in section 34d.

(f) "Qualified agricultural property" means that term as defined in section 7dd.

(g) "Qualified forest property" means that term as defined in section 7jj[1].

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 507]

(HB 6524)

AN ACT to amend 2007 PA 36, entitled "An act to meet deficiencies in state funds by providing for the imposition, levy, computation, collection, assessment, reporting, payment, and enforcement of taxes on certain commercial, business, and financial activities; to prescribe the powers and duties of public officers and state departments; to provide for the inspection of certain taxpayer records; to provide for interest and penalties; to provide exemptions, credits, and refunds; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to make appropriations," (MCL 208.1101 to 208.1601) by adding section 446.

The People of the State of Michigan enact:

208.1446 Ownership, operation, or control of exhibition open to public; tax credit.

Sec. 446. (1) Beginning in 2009, a qualified taxpayer may claim a credit against the tax imposed by this act equal to the following:

(a) In 2009, the qualified taxpayer's tax liability under this act or $500,000.00, whichever is less.

(b) In 2010 and each year thereafter, the qualified taxpayer's tax liability under this act or $250,000.00, whichever is less.

(2) As used in this section, "qualified taxpayer" means a taxpayer that owns, operates, or controls an exhibition in this state that is open to the public and satisfies all of the following:

(a) Promotes, advertises, or displays the design or concept of products that are designed, manufactured, or produced, in whole or in part, in this state and are available for sale to the general public.

(b) The exhibition uses more than 100,000 square feet of floor space.

(c) Is open to the general public for at least 7 consecutive days in a calendar year.

(d) Attendance during the entire exhibition exceeds 500,000.

(e) Has more than 3,000 credentialed journalists, including international journalists, who attend the exhibition.

This act is ordered to take immediate effect.
Approved January 12, 2009.
Filed with Secretary of State January 13, 2009.

[No. 508]

(HB 4260)

AN ACT to amend 1927 PA 175, entitled "An act to revise, consolidate, and codify the laws relating to criminal procedure and to define the jurisdiction, powers, and duties of courts, judges, and other officers of the court under the provisions of this act; to provide laws relative to the rights of persons accused of criminal offenses and ordinance violations; to

provide for the arrest of persons charged with or suspected of criminal offenses and ordinance violations; to provide for bail of persons arrested for or accused of criminal offenses and ordinance violations; to provide for the examination of persons accused of criminal offenses; to regulate the procedure relative to grand juries, indictments, informations, and proceedings before trial; to provide for trials of persons complained of or indicted for criminal offenses and ordinance violations and to provide for the procedure in those trials; to provide for judgments and sentences of persons convicted of criminal offenses and ordinance violations; to establish a sentencing commission and to prescribe its powers and duties; to provide for procedure relating to new trials and appeals in criminal and ordinance violation cases; to provide a uniform system of probation throughout this state and the appointment of probation officers; to prescribe the powers, duties, and compensation of probation officers; to provide penalties for the violation of the duties of probation officers; to provide for procedure governing proceedings to prevent crime and proceedings for the discovery of crime; to provide for fees of officers, witnesses, and others in criminal and ordinance violation cases; to set forth miscellaneous provisions as to criminal procedure in certain cases; to provide penalties for the violation of certain provisions of this act; and to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act," by amending section 16a of chapter IX (MCL 769.16a), as amended by 2005 PA 106.

The People of the State of Michigan enact:

CHAPTER IX

769.16a Report by clerk of final disposition to department of state police; forms; fingerprints; reporting conviction; report of vacated judgment; entry of disposition into database.

Sec. 16a. (1) Except as otherwise provided in subsection (3), upon final disposition of an original charge against a person of a felony or a misdemeanor for which the maximum possible penalty exceeds 92 days' imprisonment or a local ordinance for which the maximum possible penalty is 93 days' imprisonment and that substantially corresponds to a violation of state law that is a misdemeanor for which the maximum possible penalty is 93 days' imprisonment, or a misdemeanor in a case in which the appropriate court was notified that fingerprints were forwarded to the department of state police, or upon final disposition of a charge of criminal contempt under section 2950 or 2950a of the revised judicature act of 1961, 1961 PA 236, MCL 600.2950 and 600.2950a, or final disposition of a charge of criminal contempt for violating a foreign protection order that satisfies the conditions for validity provided in section 2950i of the revised judicature act of 1961, 1961 PA 236, MCL 600.2950i, the clerk of the court entering the disposition shall immediately report to the department of state police the final disposition of the charge on forms approved by the state court administrator and in a manner consistent with section 3 of 1925 PA 289, MCL 28.243. The report to the department of state police shall include the finding of the judge or jury, including a finding of guilty, guilty but mentally ill, not guilty, or not guilty by reason of insanity, or the person's plea of guilty, nolo contendere, or guilty but mentally ill; if the person was convicted, the offense of which the person was convicted; and a summary of any sentence imposed. The summary of the sentence shall include any probationary term; any minimum, maximum, or alternative term of imprisonment; the total of all fines, costs, and restitution ordered; and any modification of sentence. The report shall include the sentence if imposed under any of the following:

(a) Section 7411 of the public health code, 1978 PA 368, MCL 333.7411.

(b) Section 1076(4) of the revised judicature act of 1961, 1961 PA 236, MCL 600.1076.

(c) Section 350a of the Michigan penal code, 1931 PA 328, MCL 750.350a.

(d) Section 430 of the Michigan penal code, 1931 PA 328, MCL 750.430.

(e) Sections 11 to 15 of chapter II.

(f) Section 4a of chapter IX.

(2) Upon sentencing a person convicted of a misdemeanor or of a violation of a local ordinance, other than a misdemeanor or local ordinance described in subsection (1), the clerk of the court imposing sentence immediately shall, if ordered by the court, advise the department of state police of the conviction on forms approved by the state court administrator.

(3) Except as otherwise provided in subsections (4) and (6), the clerk of a court shall not report a conviction of a misdemeanor offense under the Michigan vehicle code, 1949 PA 300, MCL 257.1 to 257.923, or a local ordinance substantially corresponding to a provision of that act unless 1 or more of the following apply:

(a) The offense is punishable by imprisonment for more than 92 days.

(b) The offense is an offense that would be punishable by more than 92 days as a second conviction.

(c) A judge of the court orders the clerk to report the conviction.

(4) Unless ordered by the court, the clerk of a court is not required to report a conviction of a misdemeanor offense for a violation of section 904(3)(a) of the Michigan vehicle code, 1949 PA 300, MCL 257.904, or a local ordinance substantially corresponding to section 904(3)(a) of the Michigan vehicle code, 1949 PA 300, MCL 257.904.

(5) As part of the sentence for a conviction of an offense described in this section, if fingerprints have not already been taken, the court shall order that the fingerprints of the person convicted be taken and forwarded to the department of state police.

(6) As part of the sentence for a conviction of a listed offense as defined in section 2 of the sex offenders registration act, 1994 PA 295, MCL 28.722, the court shall order that the fingerprints of the person convicted be taken and forwarded as provided in the sex offenders registration act, 1994 PA 295, MCL 28.721 to 28.736, if fingerprints have not already been taken and forwarded as provided in that act.

(7) Within 21 days after the date a person licensed or registered under article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838, is convicted of a misdemeanor involving the illegal delivery, possession, or use of alcohol or a controlled substance or a felony, the clerk of the court entering the conviction shall report the conviction to the department of community health on a form prescribed and furnished by that department.

(8) For any conviction that was reported as provided in this section, the clerk of the court entering a subsequent final disposition in the case shall immediately report to the department of state police and the department of corrections if the judgment of conviction is vacated and either the accusatory instrument is dismissed or upon retrial or by court finding, whether appellate or otherwise, the defendant is determined to be not guilty. The final disposition shall be reported on forms approved by the state court administrator. The department of state police and department of corrections shall immediately enter the disposition into each database they maintain concerning criminal convictions and shall remove all information indicating that the person was convicted of the offense from each of those databases that is available to the public.

This act is ordered to take immediate effect.

Approved January 12, 2009.

Filed with Secretary of State January 13, 2009.

[No. 509]

(HB 4688)

AN ACT to amend 1956 PA 40, entitled "An act to codify the laws relating to the laying out of drainage districts, the consolidation of drainage districts, the construction and maintenance of drains, sewers, pumping equipment, bridges, culverts, fords, and the structures and mechanical devices to properly purify the flow of drains; to provide for flood control projects; to provide for water management, water management districts, and subdistricts, and for flood control and drainage projects within drainage districts; to provide for the assessment and collection of taxes; to provide for the investment of funds; to provide for the deposit of funds for future maintenance of drains; to authorize public corporations to impose taxes for the payment of assessments in anticipation of which bonds are issued; to provide for the issuance of bonds by drainage districts and for the pledge of the full faith and credit of counties for payment of the bonds; to authorize counties to impose taxes when necessary to pay principal and interest on bonds for which full faith and credit is pledged; to validate certain acts and bonds; and to prescribe penalties," by amending section 196 (MCL 280.196), as amended by 1989 PA 149.

The People of the State of Michigan enact:

280.196 Inspection of county and intercounty drains; deposits in drain fund; expenditures for inspection, repair, and maintenance of drain; assessment; resolution approving expenditure of additional amounts; reassessment; notice; affidavit of mailing; failure to receive notice; assessment according to benefits received; determination of maximum assessment; emergency condition; excess expenditures upon request of public corporation; costs and bids where work performed by federal agency or public corporation; costs of maintenance and repair; salaries, expenses, and benefits of certain employees.

Sec. 196. (1) An annual inspection may be made of a drain established under this act. Inspection shall also be made upon the request of the governing body of a public corporation, as defined in section 461, served in whole or in part by the drain to be inspected. For county drains, the inspection shall be made by the drain commissioner, or a competent person appointed by the drain commissioner. For intercounty drains, the inspection shall be caused to be made by the drainage board.

(2) Surplus construction funds remaining after completion of construction of a drain, or funds remaining after completion of work performed under a petition for maintenance or improvements under this chapter, shall be deposited in the drain fund of a drainage district and shall be expended for inspection, repair, and maintenance of the drain.

(3) If at any time the drain fund of a drainage district contains less than $5,000.00 per mile or fraction of a mile of a drain, the drain commissioner or drainage board may assess the drainage district for an amount not to exceed $2,500.00 per mile or fraction of a mile in any 1 year. The amount collected under an assessment shall be deposited in the drain fund of a drainage district for necessary inspection, repair, and maintenance of the drain.

(4) If an inspection discloses the necessity of expending money for the maintenance and repair of a drain in order to keep it in working order, the drain commissioner for a county drain, or the drainage board for an intercounty drain, may without petition expend an amount not to exceed in any 1 year $5,000.00 per mile or fraction of a mile for maintenance and repair of a drain, exclusive of inspection and engineering fees and the cost of publication and mailing. The determination of the maximum expenditure allowed without a petition or resolution shall be based on the total number of miles of the drain and not on the actual number of miles or location of the maintenance or repair.

(5) If the drain commissioner or the drainage board finds it necessary to expend funds in excess of the amount established in subsection (4) per mile or fraction of a mile in any 1 year for the maintenance and repair of a drain, the additional amounts shall not be expended until approved by resolution of the governing body of each township, city, and village affected by more than 20% of the cost.

(6) If the drain fund of a drainage district does not contain sufficient funds to pay for inspection, repair, and maintenance authorized by this section, the drain commissioner or the drainage board shall reassess the drainage district for the inspection, repair, and maintenance according to benefits received. A reassessment shall be made and spread upon the city or township tax assessment roll within 2 years after the completion of the inspection, repair, and maintenance. If the total expenditure is more than the amount established in subsection (4) per mile or fraction of a mile, all real property owners subject to an assessment within the drainage district shall be notified of the assessment by publication in a newspaper of general circulation within the drainage district and by first-class mail to the name and address that appears on the last city or township assessment roll. An affidavit of mailing shall be made by the drain commissioner. The affidavit is conclusive proof that the notices required by this subsection were mailed. The failure to receive the notices by mail shall not constitute a jurisdictional defect invalidating a drain tax if notice by publication was given as required by this subsection.

(7) An assessment for the actual cost of inspection, repair, and maintenance performed on a drain, or an assessment to be deposited in the drain fund of a drainage district, shall be made according to benefits received. The expenditure limit of the amount established in subsection (4) per mile of drain or fraction of a mile shall be used to calculate the maximum amount that the drain commissioner or drainage board may assess in any 1 year without a petition or a request from a public corporation. The property in a drainage district that benefits from the inspection, repair, or maintenance of the drain is subject to assessment for that inspection, repair, or maintenance. Determination of the maximum assessment amount allowed without petition or request, or of the property that is subject to assessment, shall be based on the number of miles of drain and areas of the drainage district receiving benefits and not on the actual number of miles or actual location of the inspection, repair, or maintenance.

(8) If an emergency condition exists that endangers the public health, crops, or property within a drainage district, the drain commissioner or the drainage board may expend funds for maintenance and repair to alleviate the emergency condition.

(9) Nothing in this section prohibits the drain commissioner or the drainage board from spending funds in excess of the amount established in subsection (4) per mile or fraction of a mile in any 1 year for inspection, maintenance, and repair of a drain when requested by a public corporation, if the public corporation pays the entire cost of the inspection, maintenance, and repair.

(10) In computing the amounts that may be expended in accordance with this section, the cost of work to be performed by a federal agency or public corporation that is not chargeable to the county or intercounty drainage district shall not be included, nor shall it be necessary for the drain commissioner or the drainage board to advertise for bids for that portion of the work to be done by the federal agency or public corporation.

(11) For purposes of this section, the costs of maintenance or repair shall include the costs of maintaining the drain in working order to continue a normal flow of water, including the servicing or repair of necessary pumping equipment and utility charges for pumping equipment; the cost of keeping the drain free from rubbish, debris, siltation, or obstructions; the cost of repairing a portion or all of a tile or drain to continue the normal flow of water; and other costs associated with the costs enumerated in this subsection.