[No. 170]

(HB 5422)

AN ACT to amend 1953 PA 232, entitled "An act to revise, consolidate, and codify the laws relating to probationers and probation officers, to pardons, reprieves, commutations, and paroles, to the administration of correctional institutions, correctional farms, and probation recovery camps, to prisoner labor and correctional industries, and to the supervision and inspection of local jails and houses of correction; to provide for the siting of correctional facilities; to create a state department of corrections, and to prescribe its powers and duties; to provide for the transfer to and vesting in said department of powers and duties vested by law in certain other state boards, commissions, and officers, and to abolish certain boards, commissions, and offices the powers and duties of which are transferred by this act; to allow for the operation of certain facilities by private entities; to prescribe the powers and duties of certain other state departments and agencies; to provide for the creation of a local lockup advisory board; to prescribe penalties for the violation of the provisions of this act; to make certain appropriations; to repeal certain parts of this act on specific dates; and to repeal all acts and parts of acts inconsistent with the provisions of this act," by amending section 42 (MCL 791.242).

The People of the State of Michigan enact:

791.242 Final order of discharge; certificate; period of parole.

Sec. 42. (1) If a paroled prisoner has faithfully performed all of the conditions and obligations of parole for the period of time fixed in the order of parole, and has obeyed all of the rules and regulations adopted by the parole board, the prisoner has served the full sentence required. The parole board shall enter a final order of discharge and issue the paroled prisoner a certificate of discharge.

(2) Parole shall not be granted for a period less than 2 years in a case of murder, actual forcible rape, robbery armed, kidnapping, extortion, or breaking and entering an occupied dwelling in the nighttime unless the maximum time remaining to be served on the sentence is less than 2 years.

(3) Parole shall only be granted for life for a prisoner sentenced under section 520b(2)(b) of the Michigan penal code, 1931 PA 328, MCL 750.520b.

Effective date.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted.

Conditional effective date.

Enacting section 2. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) Senate Bill No. 709.

(b) Senate Bill No. 717.

(c) Senate Bill No. 718.

(d) Senate Bill No. 1122.

(e) House Bill No. 5421.

(f) House Bill No. 5531.

(g) House Bill No. 5532.

This act is ordered to take immediate effect.
Approved May 29, 2006.
Filed with Secretary of State May 30, 2006.

Compiler's note: The bills referred to in enacting section 2 were enacted into law as follows:
Senate Bill No. 709 was filed with the Secretary of State May 30, 2006, and became 2006 PA 165, Eff. Aug. 28, 2006.
Senate Bill No. 717 was filed with the Secretary of State May 30, 2006, and became 2006 PA 166, Eff. Aug. 28, 2006.
Senate Bill No. 718 was filed with the Secretary of State May 30, 2006, and became 2006 PA 167, Eff. Aug. 28, 2006.
Senate Bill No. 1122 was filed with the Secretary of State May 30, 2006, and became 2006 PA 168, Eff. Aug. 28, 2006.
House Bill No. 5421 was filed with the Secretary of State May 30, 2006, and became 2006 PA 169, Eff. Aug. 28, 2006.
House Bill No. 5531 was filed with the Secretary of State May 30, 2006, and became 2006 PA 171, Eff. Aug. 28, 2006.
House Bill No. 5532 was filed with the Secretary of State May 30, 2006, and became 2006 PA 172, Eff. Aug. 28, 2006.

[No. 171]

(HB 5531)

AN ACT to amend 1931 PA 328, entitled "An act to revise, consolidate, codify, and add to the statutes relating to crimes; to define crimes and prescribe the penalties and remedies; to provide for restitution under certain circumstances; to provide for the competency of evidence at the trial of persons accused of crime; to provide immunity from prosecution for certain witnesses appearing at such trials; and to repeal certain acts and parts of acts inconsistent with or contravening any of the provisions of this act," by amending sections 520a and 520c (MCL 750.520a and 750.520c), as amended by 2002 PA 714, and by adding section 520n.

The People of the State of Michigan enact:

750.520a Definitions.

Sec. 520a. As used in this chapter:

(a) "Actor" means a person accused of criminal sexual conduct.

(b) "Developmental disability" means an impairment of general intellectual functioning or adaptive behavior which meets all of the following criteria:

(*i*) It originated before the person became 18 years of age.

(*ii*) It has continued since its origination or can be expected to continue indefinitely.

(*iii*) It constitutes a substantial burden to the impaired person's ability to perform in society.

(*iv*) It is attributable to 1 or more of the following:

(A) Mental retardation, cerebral palsy, epilepsy, or autism.

(B) Any other condition of a person found to be closely related to mental retardation because it produces a similar impairment or requires treatment and services similar to those required for a person who is mentally retarded.

(c) "Electronic monitoring" means that term as defined in section 85 of the corrections code of 1953, 1953 PA 232, MCL 791.285.

(d) "Intimate parts" includes the primary genital area, groin, inner thigh, buttock, or breast of a human being.

(e) "Mental health professional" means that term as defined in section 100b of the mental health code, 1974 PA 258, MCL 330.1100b.

(f) "Mental illness" means a substantial disorder of thought or mood that significantly impairs judgment, behavior, capacity to recognize reality, or ability to cope with the ordinary demands of life.

(g) "Mentally disabled" means that a person has a mental illness, is mentally retarded, or has a developmental disability.

(h) "Mentally incapable" means that a person suffers from a mental disease or defect that renders that person temporarily or permanently incapable of appraising the nature of his or her conduct.

(i) "Mentally incapacitated" means that a person is rendered temporarily incapable of appraising or controlling his or her conduct due to the influence of a narcotic, anesthetic, or other substance administered to that person without his or her consent, or due to any other act committed upon that person without his or her consent.

(j) "Mentally retarded" means significantly subaverage general intellectual functioning that originates during the developmental period and is associated with impairment in adaptive behavior.

(k) "Nonpublic school" means that term as defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.

(*l*) "Physically helpless" means that a person is unconscious, asleep, or for any other reason is physically unable to communicate unwillingness to an act.

(m) "Personal injury" means bodily injury, disfigurement, mental anguish, chronic pain, pregnancy, disease, or loss or impairment of a sexual or reproductive organ.

(n) "Public school" means that term as defined in section 5 of the revised school code, 1976 PA 451, MCL 380.5.

(o) "Sexual contact" includes the intentional touching of the victim's or actor's intimate parts or the intentional touching of the clothing covering the immediate area of the victim's or actor's intimate parts, if that intentional touching can reasonably be construed as being for the purpose of sexual arousal or gratification, done for a sexual purpose, or in a sexual manner for:

(*i*) Revenge.

(*ii*) To inflict humiliation.

(*iii*) Out of anger.

(p) "Sexual penetration" means sexual intercourse, cunnilingus, fellatio, anal intercourse, or any other intrusion, however slight, of any part of a person's body or of any object into the genital or anal openings of another person's body, but emission of semen is not required.

(q) "Victim" means the person alleging to have been subjected to criminal sexual conduct.

750.520c Criminal sexual conduct in the second degree; felony.

Sec. 520c. (1) A person is guilty of criminal sexual conduct in the second degree if the person engages in sexual contact with another person and if any of the following circumstances exists:

(a) That other person is under 13 years of age.

(b) That other person is at least 13 but less than 16 years of age and any of the following:

(*i*) The actor is a member of the same household as the victim.

(*ii*) The actor is related by blood or affinity to the fourth degree to the victim.

(*iii*) The actor is in a position of authority over the victim and the actor used this authority to coerce the victim to submit.

(*iv*) The actor is a teacher, substitute teacher, or administrator of the public or nonpublic school in which that other person is enrolled.

(c) Sexual contact occurs under circumstances involving the commission of any other felony.

(d) The actor is aided or abetted by 1 or more other persons and either of the following circumstances exists:

(*i*) The actor knows or has reason to know that the victim is mentally incapable, mentally incapacitated, or physically helpless.

(*ii*) The actor uses force or coercion to accomplish the sexual contact. Force or coercion includes, but is not limited to, any of the circumstances listed in section 520b(1)(f).

(e) The actor is armed with a weapon, or any article used or fashioned in a manner to lead a person to reasonably believe it to be a weapon.

(f) The actor causes personal injury to the victim and force or coercion is used to accomplish the sexual contact. Force or coercion includes, but is not limited to, any of the circumstances listed in section 520b(1)(f).

(g) The actor causes personal injury to the victim and the actor knows or has reason to know that the victim is mentally incapable, mentally incapacitated, or physically helpless.

(h) That other person is mentally incapable, mentally disabled, mentally incapacitated, or physically helpless, and any of the following:

(*i*) The actor is related to the victim by blood or affinity to the fourth degree.

(*ii*) The actor is in a position of authority over the victim and used this authority to coerce the victim to submit.

(i) That other person is under the jurisdiction of the department of corrections and the actor is an employee or a contractual employee of, or a volunteer with, the department of corrections who knows that the other person is under the jurisdiction of the department of corrections.

(j) That other person is under the jurisdiction of the department of corrections and the actor is an employee or a contractual employee of, or a volunteer with, a private vendor that operates a youth correctional facility under section 20g of 1953 PA 232, MCL 791.220g, who knows that the other person is under the jurisdiction of the department of corrections.

(k) That other person is a prisoner or probationer under the jurisdiction of a county for purposes of imprisonment or a work program or other probationary program and the actor is an employee or a contractual employee of or a volunteer with the county or the department of corrections who knows that the other person is under the county's jurisdiction.

(*l*) The actor knows or has reason to know that a court has detained the victim in a facility while the victim is awaiting a trial or hearing, or committed the victim to a facility as a result of the victim having been found responsible for committing an act that would be a crime if committed by an adult, and the actor is an employee or contractual employee of, or a volunteer with, the facility in which the victim is detained or to which the victim was committed.

(2) Criminal sexual conduct in the second degree is a felony punishable as follows:

(a) By imprisonment for not more than 15 years.

(b) In addition to the penalty specified in subdivision (a), the court shall sentence the defendant to lifetime electronic monitoring under section 520n if the violation involved sexual contact committed by an individual 17 years of age or older against an individual less than 13 years of age.

750.520n Lifetime electronic monitoring.

Sec. 520n. (1) A person convicted under section 520b or 520c for criminal sexual conduct committed by an individual 17 years old or older against an individual less than 13 years of age shall be sentenced to lifetime electronic monitoring as provided under section 85 of the corrections code of 1953, 1953 PA 232, MCL 791.285.

(2) A person who has been sentenced under this chapter to lifetime electronic monitoring under section 85 of the corrections code of 1953, 1953 PA 232, MCL 791.285, who does any of the following is guilty of a felony punishable by imprisonment for not more than 2 years or a fine of not more than $2,000.00, or both:

(a) Intentionally removes, defaces, alters, destroys, or fails to maintain the electronic monitoring device in working order.

(b) Fails to notify the department of corrections that the electronic monitoring device is damaged.

(c) Fails to reimburse the department of corrections or its agent for the cost of the monitoring.

(3) This section does not prohibit an individual from being charged with, convicted of, or punished for any other violation of law that is committed by that individual while violating this section.

(4) A term of imprisonment imposed for a violation of this section may run consecutively to any term of imprisonment imposed for another violation arising from the same transaction.

Effective date.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted.

Conditional effective date.

Enacting section 2. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) Senate Bill No. 709.

(b) Senate Bill No. 717.

(c) Senate Bill No. 718.

(d) Senate Bill No. 1122.

(e) House Bill No. 5421.

(f) House Bill No. 5422.

(g) House Bill No. 5532.

This act is ordered to take immediate effect.
Approved May 29, 2006.
Filed with Secretary of State May 30, 2006.

Compiler's note: The bills referred to in enacting section 2 were enacted into law as follows:
Senate Bill No. 709 was filed with the Secretary of State May 30, 2006, and became 2006 PA 165, Eff. Aug. 28, 2006.
Senate Bill No. 717 was filed with the Secretary of State May 30, 2006, and became 2006 PA 166, Eff. Aug. 28, 2006.
Senate Bill No. 718 was filed with the Secretary of State May 30, 2006, and became 2006 PA 167, Eff. Aug. 28, 2006.
Senate Bill No. 1122 was filed with the Secretary of State May 30, 2006, and became 2006 PA 168, Eff. Aug. 28, 2006.
House Bill No. 5421 was filed with the Secretary of State May 30, 2006, and became 2006 PA 169, Eff. Aug. 28, 2006.
House Bill No. 5422 was filed with the Secretary of State May 30, 2006, and became 2006 PA 170, Eff. Aug. 28, 2006.
House Bill No. 5532 was filed with the Secretary of State May 30, 2006, and became 2006 PA 172, Eff. Aug. 28, 2006.

[No. 172]

(HB 5532)

AN ACT to amend 1953 PA 232, entitled "An act to revise, consolidate, and codify the laws relating to probationers and probation officers, to pardons, reprieves, commutations, and paroles, to the administration of correctional institutions, correctional farms, and probation recovery camps, to prisoner labor and correctional industries, and to the supervision and inspection of local jails and houses of correction; to provide for the siting of correctional facilities; to create a state department of corrections, and to prescribe its powers and duties; to provide for the transfer to and vesting in said department of powers and duties vested by law in certain other state boards, commissions, and officers, and to abolish certain boards, commissions, and offices the powers and duties of which are transferred by this act; to allow for the operation of certain facilities by private entities; to prescribe the powers and duties of certain other state departments and agencies; to provide for the creation of a local lockup advisory board; to prescribe penalties for the violation of the provisions of this act; to make certain appropriations; to repeal certain parts of this act on specific dates; and to repeal all acts and parts of acts inconsistent with the provisions of this act," by amending the title and sections 4 and 6 (MCL 791.204 and 791.206), the title as amended by 1996 PA 164 and section 6 as amended by 1996 PA 104, and by adding section 85.

The People of the State of Michigan enact:

TITLE

An act to revise, consolidate, and codify the laws relating to probationers and probation officers, to pardons, reprieves, commutations, and paroles, to the administration of correctional institutions, correctional farms, and probation recovery camps, to prisoner labor and correctional industries, and to the supervision and inspection of local jails and houses of correction; to provide for the siting of correctional facilities; to create a state department of corrections, and to prescribe its powers and duties; to provide for the transfer to and vesting in said department of powers and duties vested by law in certain other state boards, commissions, and officers, and to abolish certain boards, commissions, and offices the powers and duties of which are transferred by this act; to allow for the operation of certain facilities by private entities; to prescribe the powers and duties of certain other state departments and agencies; to provide for the creation of a local lockup advisory board; to provide for a lifetime electronic monitoring program; to prescribe penalties for the violation of the provisions of this act; to make certain appropriations; to repeal certain parts of this act on specific dates; and to repeal all acts and parts of acts inconsistent with the provisions of this act.

791.204 State department of corrections; jurisdiction.

Sec. 4. Subject to constitutional powers vested in the executive and judicial departments of the state, the department shall have exclusive jurisdiction over all of the following:

(a) Probation officers of this state, and the administration of all orders of probation.

(b) Pardons, reprieves, commutations, and paroles.

(c) Penal institutions, correctional farms, probation recovery camps, prison labor and industry, wayward minor programs, and youthful trainee institutions and programs for the care and supervision of youthful trainees.

(d) The lifetime electronic monitoring program established under section 85.

791.206 Rules.

Sec. 6. (1) The director may promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to provide for all of the following:

(a) The control, management, and operation of the general affairs of the department.

(b) Supervision and control of probationers and probation officers throughout this state.

(c) The manner in which applications for pardon, reprieve, medical commutation, or commutation shall be made to the governor; the procedures for handling applications and recommendations by the parole board; the manner in which paroles shall be considered, the criteria to be used to reach release decisions, the procedures for medical and special paroles, and the duties of the parole board in those matters; interviews on paroles and for the notice of intent to conduct an interview; the entering of appropriate orders granting or denying paroles; the supervision and control of paroled prisoners; and the revocation of parole.

(d) The management and control of state penal institutions, correctional farms, probation recovery camps, and programs for the care and supervision of youthful trainees separate and apart from persons convicted of crimes within the jurisdiction of the department. Except as provided for in section 62(3), this subdivision does not apply to detention facilities operated by local units of government used to detain persons less than 72 hours. The rules may permit the use of portions of penal institutions in which persons convicted of crimes are detained. The rules shall provide that decisions as to the removal of a youth from the youthful trainee facility or the release of a youth from the supervision of the department shall be made by the department and shall assign responsibility for those decisions to a committee.

(e) The management and control of prison labor and industry.

(f) The director may promulgate rules providing for the creation and operation of a lifetime electronic monitoring program to conduct electronic monitoring of individuals, who have served sentences imposed for certain crimes, following their release from parole, prison, or both parole and prison.

(2) The director may promulgate rules providing for a parole board structure consisting of 3-member panels.

(3) The director may promulgate further rules with respect to the affairs of the department as the director considers necessary or expedient for the proper administration of this act. The director may modify, amend, supplement, or rescind a rule.

(4) The director and the corrections commission shall not promulgate a rule or adopt a guideline that does either of the following:

(a) Prohibits a probation officer or parole officer from carrying a firearm while on duty.

(b) Allows a prisoner to have his or her name changed. If the Michigan supreme court rules that this subdivision is violative of constitutional provisions under the first and fourteenth amendments to the United States constitution and article I, sections 2 and 4 of the state constitution of 1963, the remaining provisions of the code shall remain in effect.

791.285 Lifetime electronic monitoring program; establishment; implementation; manner of wearing or carrying; reimbursement; definition.

Sec. 85. (1) The lifetime electronic monitoring program is established in the department. The lifetime electronic monitoring program shall implement a system of monitoring individuals released from parole, prison, or both parole and prison who are sentenced by the

court to lifetime electronic monitoring. The lifetime electronic monitoring program shall accomplish all of the following:

(a) By electronic means, track the movement and location of each individual from the time the individual is released on parole or from prison until the time of the individual's death.

(b) Develop methods by which the individual's movement and location may be determined, both in real time and recorded time, and recorded information retrieved upon request by the court or a law enforcement agency.

(2) An individual who is sentenced to lifetime electronic monitoring shall wear or otherwise carry an electronic monitoring device as determined by the department under the lifetime electronic monitoring program in the manner prescribed by that program and shall reimburse the department or its agent for the actual cost of electronically monitoring the individual.

(3) As used in this section, "electronic monitoring" means a device by which, through global positioning system satellite or other means, an individual's movement and location are tracked and recorded.

Effective date.

Enacting section 1. This amendatory act takes effect 90 days after the date it is enacted.

Conditional effective date.

Enacting section 2. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) Senate Bill No. 709.

(b) Senate Bill No. 717.

(c) Senate Bill No. 718.

(d) Senate Bill No. 1122.

(e) House Bill No. 5421.

(f) House Bill No. 5422.

(g) House Bill No. 5531.

This act is ordered to take immediate effect.
Approved May 29, 2006.
Filed with Secretary of State May 30, 2006.

Compiler's note: The bills referred to in enacting section 2 were enacted into law as follows:
Senate Bill No. 709 was filed with the Secretary of State May 30, 2006, and became 2006 PA 165, Eff. Aug. 28, 2006.
Senate Bill No. 717 was filed with the Secretary of State May 30, 2006, and became 2006 PA 166, Eff. Aug. 28, 2006.
Senate Bill No. 718 was filed with the Secretary of State May 30, 2006, and became 2006 PA 167, Eff. Aug. 28, 2006.
Senate Bill No. 1122 was filed with the Secretary of State May 30, 2006, and became 2006 PA 168, Eff. Aug. 28, 2006.
House Bill No. 5421 was filed with the Secretary of State May 30, 2006, and became 2006 PA 169, Eff. Aug. 28, 2006.
House Bill No. 5422 was filed with the Secretary of State May 30, 2006, and became 2006 PA 170, Eff. Aug. 28, 2006.
House Bill No. 5531 was filed with the Secretary of State May 30, 2006, and became 2006 PA 171, Eff. Aug. 28, 2006.

[No. 173]

(HB 5638)

AN ACT to enter into the midwest interstate passenger rail compact to promote intergovernmental coordination aimed at development and promotion of intercity passenger rail transportation; to promote long-range planning for high-speed rail passenger service

in the midwest; to describe the powers and duties of certain commissions; and to provide for ratification and a method of termination.

The People of the State of Michigan enact:

3.1021 Short title.

Sec. 1. This act shall be known and may be cited as the "midwest interstate passenger rail compact".

3.1022 Midwest interstate passenger rail compact.

Sec. 2. The midwest interstate passenger rail compact is enacted into law and entered into with all jurisdictions legally joining in the compact in the form substantially as follows:

ARTICLE I
STATEMENT OF PURPOSE

The purposes of this compact are, through joint or cooperative action:

A) to promote development and implementation of improvements to intercity passenger rail service in the Midwest;

B) to coordinate interaction among Midwestern state elected officials and their designees on passenger rail issues;

C) to promote development and implementation of long-range plans for high speed rail passenger service in the Midwest and among other regions of the United States;

D) to work with the public and private sectors at the federal, state and local levels to ensure coordination among the various entities having an interest in passenger rail service and to promote Midwestern interests regarding passenger rail; and

E) to support efforts of transportation agencies involved in developing and implementing passenger rail service in the Midwest.

ARTICLE II
ESTABLISHMENT OF COMMISSION

To further the purposes of the compact, a Commission is created to carry out the duties specified in this compact.

ARTICLE III
COMMISSION MEMBERSHIP

The manner of appointment of Commission members, terms of office consistent with the terms of this compact, provisions for removal and suspension, and manner of appointment to fill vacancies shall be determined by each party state pursuant to its laws, but each commissioner shall be a resident of the state of appointment. Commission members shall serve without compensation from the Commission.

The Commission shall consist of four resident members of each state as follows: The governor or the governor's designee who shall serve during the tenure of office of the governor, or until a successor is named; one member of the private sector who shall be appointed by the governor and shall serve during the tenure of office of the governor, or until a successor is named; and two legislators, one from each legislative chamber (or two legislators from any unicameral legislature), who shall serve two-year terms, or until successors are appointed, and who shall be appointed by the appropriate appointing authority in each legislative chamber. All vacancies shall be filled in accordance with the

laws of the appointing states. Any commissioner appointed to fill a vacancy shall serve until the end of the incomplete term. Each member state shall have equal voting privileges, as determined by the Commission bylaws.

ARTICLE IV
POWERS AND DUTIES OF THE COMMISSION

The duties of the Commission are to:

1) advocate for the funding and authorization necessary to make passenger rail improvements a reality for the region;
2) identify and seek to develop ways that states can form partnerships, including with rail industry and labor, to implement improved passenger rail in the region;
3) seek development of a long-term, interstate plan for high speed rail passenger service implementation;
4) cooperate with other agencies, regions and entities to ensure that the Midwest is adequately represented and integrated into national plans for passenger rail development;
5) adopt bylaws governing the activities and procedures of the Commission and addressing, among other subjects: the powers and duties of officers; the voting rights of Commission members, voting procedures, Commission business, and any other purposes necessary to fulfill the duties of the Commission;
6) expend such funds as required to carry out the powers and duties of the Commission; and
7) report on the activities of the Commission to the legislatures and governor of the member states on an annual basis.

In addition to its exercise of these duties, the Commission is empowered to:

1) provide multistate advocacy necessary to implement passenger rail systems or plans, as approved by the Commission;
2) work with local elected officials, economic development planning organizations, and similar entities to raise the visibility of passenger rail service benefits and needs;
3) educate other state officials, federal agencies, other elected officials and the public on the advantages of passenger rail as an integral part of an intermodal transportation system in the region;
4) work with federal agency officials and Members of Congress to ensure the funding and authorization necessary to develop a long-term, interstate plan for high speed rail passenger service implementation;
5) make recommendations to member states;
6) if requested by each state participating in a particular project and under the terms of a formal agreement approved by the participating states and the Commission, implement or provide oversight for specific rail projects;
7) establish an office and hire a staff as necessary;
8) contract for or provide services;
9) assess dues, in accordance with the terms of this compact;
10) conduct research; and
11) establish committees.

ARTICLE V
OFFICERS

The Commission shall annually elect from among its members a chair, a vice-chair who shall not be a resident of the state represented by the chair, and others as approved in the Commission bylaws. The officers shall perform such functions and exercise such powers as specified in the Commission bylaws.

ARTICLE VI
MEETINGS AND COMMISSION ADMINISTRATION

The Commission shall meet at least once in each calendar year, and at such other times as may be determined by the Commission. Commission business shall be conducted in accordance with the procedures and voting rights specified in the bylaws.

ARTICLE VII
FINANCE

Except as otherwise provided for, the monies necessary to finance the general operations of the Commission in carrying forth its duties, responsibilities and powers as stated herein shall be appropriated to the Commission by the compacting states, when authorized by the respective legislatures, by equal apportionment among the compacting states. Nothing in this compact shall be construed to commit a member state to participate in financing a rail project except as provided by law of a member state.

The Commission may accept, for any of its purposes and functions, donations, gifts, grants, and appropriations of money, equipment, supplies, materials and services from the federal government, from any party state or from any department, agency, or municipality thereof, or from any institution, person, firm, or corporation. All expenses incurred by the Commission in executing the duties imposed upon it by this compact shall be paid by the Commission out of the funds available to it. The Commission shall not issue any debt instrument. The Commission shall submit to the officer designated by the laws of each party state, periodically as required by the laws of each party state, a budget of its actual past and estimated future expenditures.

ARTICLE VIII
ENACTMENT, EFFECTIVE DATE AND AMENDMENTS

The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota and Wisconsin are eligible to join this compact. Upon approval of the Commission, according to its bylaws, other states may also be declared eligible to join the compact. As to any eligible party state, this compact shall become effective when its legislature shall have enacted the same into law; provided that it shall not become initially effective until enacted into law by any three (3) party states incorporating the provisions of this compact into the laws of such states. Amendments to the compact shall become effective upon their enactment by the legislatures of all compacting states.

ARTICLE IX
WITHDRAWAL, DEFAULT AND TERMINATION

Withdrawal from this compact shall be by enactment of a statute repealing the same and shall take effect one year after the effective date of such statute. A withdrawing state

shall be liable for any obligations which it may have incurred prior to the effective date of withdrawal.

If any compacting state shall at any time default in the performance of any of its obligations, assumed or imposed, in accordance with the provisions of this compact, all rights, privileges and benefits conferred by this compact or agreements hereunder shall be suspended from the effective date of such default as fixed by the Commission, and the Commission shall stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status. Unless such default shall be remedied under the stipulations and within the time period set forth by the Commission, this compact may be terminated with respect to such defaulting state by affirmative vote of a majority of the other Commission members. Any such defaulting state may be reinstated, upon vote of the Commission, by performing all acts and obligations as stipulated by the Commission.

ARTICLE X
CONSTRUCTION AND SEVERABILITY

The provisions of this compact entered into hereunder shall be severable and if any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any compacting state or 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 hereby. If this compact entered into hereunder shall be held contrary to the constitution of any compacting state, the compact shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of this compact entered into pursuant hereto shall be liberally construed to effectuate the purposes thereof.

This act is ordered to take immediate effect.
Approved May 25, 2006.
Filed with Secretary of State May 30, 2006.

[No. 174]

(HB 5854)

AN ACT to amend 1973 PA 186, entitled "An act to create the tax tribunal; to provide for personnel, jurisdiction, functions, practice and procedure; to provide for appeals; and to prescribe the powers and duties of certain state agencies; and to abolish certain boards," by amending sections 35 and 37 (MCL 205.735 and 205.737), as amended by 2003 PA 131, and by adding section 35a.

The People of the State of Michigan enact:

205.735 Applicability before January 1, 2007; de novo proceedings; jurisdiction in assessment disputes; petition to invoke jurisdiction; service; appeal of contested tax bill; amendment of petition or answer; representation.

Sec. 35. (1) The provisions of this section apply to a proceeding before the tribunal that is commenced before January 1, 2007.

(2) A proceeding before the tribunal is original and independent and is considered de novo. For an assessment dispute as to the valuation of property or if an exemption is claimed, the assessment must be protested before the board of review before the tribunal acquires jurisdiction of the dispute under subsection (3), except as otherwise provided in this section for a year in which the July or December board of review has authority to determine a claim of exemption for qualified agricultural property or for an appeal of a denial of a principal residence exemption by the department of treasury, and in section 37(5) and (7). For a dispute regarding a determination of a claim for exemption of qualified agricultural property for a year in which the July or December board of review has authority to determine a claim of exemption for qualified agricultural property, the claim for exemption must be presented to either the July or December board of review before the tribunal acquires jurisdiction of the dispute. For a special assessment dispute, the special assessment must be protested at the hearing held for the purpose of confirming the special assessment roll before the tribunal acquires jurisdiction of the dispute.

(3) The jurisdiction of the tribunal in an assessment dispute is invoked by a party in interest, as petitioner, filing a written petition on or before June 30 of the tax year involved. Except in the residential property and small claims division, a written petition is considered filed by June 30 of the tax year involved if it is sent by certified mail on or before June 30 of that tax year. In the residential property and small claims division, a written petition is considered filed by June 30 of the tax year involved if it is postmarked by first-class mail or delivered in person on or before June 30 of the tax year involved. All petitions required to be filed or served by a day during which the offices of the tribunal are not open for business shall be filed by the next business day. In all other matters, the jurisdiction of the tribunal is invoked by a party in interest, as petitioner, filing a written petition within 35 days after the final decision, ruling, determination, or order that the petitioner seeks to review. Except in the residential property and small claims division, a written petition is considered filed if it is sent by certified mail or delivered in person on or before expiration of the period in which an appeal may be made as provided by law. In the residential property and small claims division, a written petition is considered filed if it is postmarked by first-class mail or delivered in person on or before expiration of the period in which an appeal may be made as provided by law. An appeal of a contested tax bill shall be made within 60 days after mailing by the assessment district treasurer and the appeal is limited solely to correcting arithmetic errors or mistakes and is not a basis of appeal as to disputes of valuation of the property, the property's exempt status, or the property's equalized value resulting from equalization of its assessment by the county board of commissioners or the state tax commission. Service of the petition on the respondent shall be by certified mail. For an assessment dispute, service of the petition shall be mailed to the assessor of that governmental unit if the respondent is the local governmental unit. Except for petitions filed under chapter 6, a copy of the petition shall also be sent to the secretary of the school board in the local school district in which the property is located and to the clerk of any county that may be affected.

(4) The petition or answer may be amended at any time by leave of the tribunal and in compliance with its rules. If a tax was paid while the determination of the right to the tax is pending before the tribunal, the taxpayer may amend his or her petition to seek a refund of that tax.

(5) A person or legal entity may appear before the tribunal in his or her own behalf or may be represented by an attorney or by any other person.

205.735a Applicability after December 31, 2006; de novo proceedings; jurisdiction in assessment disputes; filing of petition; amendment of petition or answer; representation; "designated delivery service" defined.

Sec. 35a. (1) The provisions of this section apply to a proceeding before the tribunal that is commenced after December 31, 2006.

(2) A proceeding before the tribunal is original and independent and is considered de novo.

(3) Except as otherwise provided in this section or by law, for an assessment dispute as to the valuation or exemption of property, the assessment must be protested before the board of review before the tribunal acquires jurisdiction of the dispute under subsection (6).

(4) In the 2007 tax year and each tax year after 2007, both of the following apply:

(a) For an assessment dispute as to the valuation or exemption of property classified under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, as commercial real property, industrial real property, or developmental real property, the assessment may be protested before the board of review or appealed directly to the tribunal without protest before the board of review as provided in subsection (6).

(b) For an assessment dispute as to the valuation or exemption of property classified under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, as commercial personal property, industrial personal property, or utility personal property, the assessment may be protested before the board of review or appealed directly to the tribunal without protest before the board of review as provided in subsection (6), if a statement of assessable property is filed under section 19 of the general property tax act, 1893 PA 206, MCL 211.19, prior to the commencement of the board of review for the tax year involved.

(5) For a dispute regarding a determination of a claim of exemption of a principal residence or qualified agricultural property for a year in which the July or December board of review has authority to determine a claim of exemption for a principal residence or qualified agricultural property, the claim of exemption shall be presented to either the July or December board of review before the tribunal acquires jurisdiction of the dispute. For a special assessment dispute, the special assessment shall be protested at the hearing held for the purpose of confirming the special assessment roll before the tribunal acquires jurisdiction of the dispute.

(6) The jurisdiction of the tribunal in an assessment dispute as to property classified under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, as commercial real property, industrial real property, developmental real property, commercial personal property, industrial personal property, or utility personal property is invoked by a party in interest, as petitioner, filing a written petition on or before May 31 of the tax year involved. The jurisdiction of the tribunal in an assessment dispute as to property classified under section 34c of the general property tax act, 1893 PA 206, MCL 211.34c, as agricultural real property, residential real property, timber-cutover real property, or agricultural personal property is invoked by a party in interest, as petitioner, filing a written petition on or before July 31 of the tax year involved. In all other matters, the jurisdiction of the tribunal is invoked by a party in interest, as petitioner, filing a written petition within 35 days after the final decision, ruling, or determination. An appeal of a contested tax bill shall be made within 60 days after mailing by the assessment district treasurer and the appeal is limited solely to correcting arithmetic errors or mistakes and is not a basis of appeal as to disputes of valuation of the property, the property's exempt status, or the property's equalized value resulting from equalization of its assessment by the county board of commissioners or the state tax commission. Service of the petition on the respondent

shall be by certified mail. For an assessment dispute, service of the petition shall be mailed to the assessor of that local tax collecting unit if the respondent is the local tax collecting unit. Except for petitions filed under chapter 6, a copy of the petition shall also be sent to the secretary of the school board in the local school district in which the property is located and to the clerk of any county that may be affected.

(7) A petition is considered filed on or before the expiration of the time period provided in this section or by law if 1 or more of the following occur:

(a) The petition is postmarked by the United States postal service on or before the expiration of that time period.

(b) The petition is delivered in person on or before the expiration of that time period.

(c) The petition is given to a designated delivery service for delivery on or before the expiration of that time period and the petition is delivered by that designated delivery service or, if the petition is not delivered by that designated delivery service, the petitioner establishes that the petition was given to that designated delivery service for delivery on or before the expiration of that time period.

(8) A petition required to be filed by a day during which the offices of the tribunal are not open for business shall be filed by the next business day.

(9) A petition or answer may be amended at any time by leave of the tribunal and in compliance with its rules. If a tax was paid while the determination of the right to the tax is pending before the tribunal, the taxpayer may amend his or her petition to seek a refund of that tax.

(10) A person or legal entity may appear before the tribunal in his or her own behalf or may be represented by an attorney or by any other person.

(11) As used in this section, "designated delivery service" means a delivery service provided by a trade or business that is designated by the tribunal for purposes of this subsection. The tribunal shall issue a tribunal notice not later than December 31 in each calendar year designating not less than 1 delivery service for the immediately succeeding calendar year. The tribunal may designate a delivery service only if the tribunal determines that the delivery service meets all of the following requirements:

(a) Is available to the general public.

(b) Is at least as timely and reliable on a regular basis as the United States postal service.

(c) Records electronically to a database kept in the regular course of business or marks on the petition the date on which the petition was given to the delivery service for delivery.

(d) Any other requirement the tribunal prescribes.

205.737 Determination of property's taxable value; equalization; burden of proof; joinder of claims; fee; interest; motion to amend petition to add subsequent years; jurisdiction of residential property and small claims division over certain petitions; notice of hearing; appeal without prior protest.

Sec. 37. (1) The tribunal shall determine a property's taxable value pursuant to section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(2) The tribunal shall determine a property's state equalized valuation by multiplying its finding of true cash value by a percentage equal to the ratio of the average level of assessment in relation to true cash values in the assessment district, and equalizing that product by application of the equalization factor that is uniformly applicable in the assessment district for the year in question. The property's state equalized valuation shall not exceed 50% of the true cash value of the property on the assessment date.

(3) The petitioner has the burden of proof in establishing the true cash value of the property. The assessing agency has the burden of proof in establishing the ratio of the average level of assessments in relation to true cash values in the assessment district and the equalization factor that was uniformly applied in the assessment district for the year in question.

(4) If the taxpayer paid additional taxes as a result of the unlawful assessments on the same property after filing the petition, or if in subsequent years an unlawful assessment is made against the same property, the taxpayer, not later than the filing deadline prescribed in section 35 for a proceeding before the tribunal that is commenced before January 1, 2007 or section 35a for a proceeding before the tribunal that is commenced after December 31, 2006, except as otherwise provided in subsections (5) and (7), may amend the petition to join all of the claims for a determination of the property's taxable value, state equalized valuation, or exempt status and for a refund of payments based on the unlawful assessments. The motion to amend the petition to add a subsequent year shall be accompanied by a motion fee equal to 50% of the filing fee to file a petition to commence an appeal for that property in that year. A sum determined by the tribunal to have been unlawfully paid or underpaid shall bear interest from the date of payment to the date of judgment and the judgment shall bear interest to date of its payment. However, a sum determined by the tribunal to have been underpaid shall not bear interest for any time period prior to 28 days after the tribunal's decision. Interest required by this subsection shall accrue for periods before April 1, 1982 at a rate of 6% per year, shall accrue for periods after March 31, 1982 but before April 1, 1985 at a rate of 12% per year, and shall accrue for periods after March 31, 1985 but before April 1, 1994 at a rate of 9% per year. After March 31, 1994 but before January 1, 1996, interest shall accrue at an interest rate set monthly at a per annum rate based on the auction rate of the 91-day discount treasury bill rate for the first Monday in each month, plus 1%. After December 31, 1995, interest shall accrue at an interest rate set each year based on the average auction rate of 91-day discount treasury bills in the immediately preceding state fiscal year as certified by the department of treasury, plus 1%. The department of treasury shall certify the interest rate within 60 days after the end of the immediately preceding fiscal year. The tribunal shall order the refund of all or part of a property tax administration fee paid in connection with taxes that the tribunal determines were unlawfully paid.

(5) A motion to amend a petition to add subsequent years is not necessary in the following circumstances:

(a) If the tribunal has jurisdiction over a petition alleging that the property is exempt from taxation, the appeal for each subsequent year for which an assessment has been established shall be added automatically to the petition. However, upon leave of the tribunal, the petitioner or respondent may request that any subsequent year be excluded from appeal at the time of the hearing on the petition.

(b) If the residential property and small claims division of the tribunal has jurisdiction over a petition, the appeal for each subsequent year for which an assessment has been established shall be added automatically to the petition. The residential property and small claims division shall automatically add to an appeal of a final determination of a claim for exemption of a principal residence or of qualified agricultural property each subsequent year in which a claim for exemption of that principal residence or that qualified agricultural property is denied. However, upon leave of the tribunal, the petitioner or respondent may request that any subsequent year be excluded from appeal at the time of the hearing on the petition.

(6) The notice of the hearing on a petition shall include a statement advising the petitioner of the right to amend his or her petition to include or exclude subsequent years as provided by subsections (4) and (5).

(7) If the final equalization multiplier for the tax year is greater than the tentative multiplier used in preparing the assessment notice and as a result of action of the state board of equalization or county board of commissioners a taxpayer's assessment as equalized is in excess of 50% of true cash value, that person may appeal directly to the tax tribunal without a prior protest before the local board of review. The appeal shall be filed under this subsection on or before the third Monday in August and shall be heard in the same manner as other appeals of the tribunal. An appeal pursuant to this subsection shall not result in an equalized value less than the assessed value multiplied by the tentative equalization multiplier used in preparing the assessment notice.

This act is ordered to take immediate effect.
Approved May 29, 2006.
Filed with Secretary of State May 30, 2006.

[No. 175]

(HB 6021)

AN ACT to amend 1986 PA 196, entitled "An act to authorize the formation of public transportation authorities with certain general powers and duties; to provide for the withdrawal of certain local entities from public transportation authorities; to authorize certain local entities to levy property taxes for public transportation service and public transportation purposes; to protect the rights of employees of existing public transportation systems; to provide for the issuance of bonds and notes; to provide for the pledge of taxes, revenues, assessments, tax levies, and other funds for bond or note payment; to provide for the powers and duties of certain state agencies; to validate taxes authorized before July 10, 1986, elections held before July 10, 1986, and bonds and notes issued before July 10, 1986; to provide for transfer of certain tax revenue and certain powers, rights, duties, and obligations; to authorize condemnation proceedings; to grant certain powers to certain local entities; to validate and ratify the organization, existence, and membership of public transportation authorities created before July 10, 1986 and the actions taken by those public transportation authorities and by the members of those public transportation authorities; and to prescribe penalties and provide remedies," by amending sections 8 and 18 (MCL 124.458 and 124.468), section 8 as amended by 1998 PA 168.

The People of the State of Michigan enact:

124.458 Conditions to release from membership in public authority; taxes; transportation services; evidence of release; withdrawal from public authority; violation of MCL 168.1 to 168.992 applicable to petitions; penalties; notice.

Sec. 8. (1) Except as otherwise provided in subsection (2), a political subdivision that is a member of a public authority or the portion of a city, village, or township, which portion is a member of a public authority may be released from membership in the public authority if all of the following conditions are met:

(a) Adoption of a resolution by a majority of the members elected to and serving on the legislative body of the political subdivision requesting release from membership.

(b) Acceptance of the request by a 2/3 vote of the members serving on the board of the public authority, excluding the members representing the political subdivision requesting release.

(c) Payment or the provision for payment is made regarding all obligations of the political subdivision to the public authority or its creditors.

(2) Notwithstanding subsection (1), an entity that is a political subdivision and is a member of a public authority or the portion of a city, village, or township, which portion is a member of a public authority, may be released from membership in the public authority if all of the following conditions are met:

(a) The entity desiring to withdraw from the authority has approved the question by a majority of the qualified and registered electors voting at a general or special election held in November before the expiration of a tax authorized to be levied under this act.

(b) Subject to subsection (6), a petition that bears the signatures of registered electors of the entity equal to at least 20% of the number of votes cast in the political subdivision or portion of a city, village, or township for all candidates for governor in the last general election in which a governor was elected and that requires the governing body of the entity by resolution to submit the question to its electors at the next general or special election is filed not less than 60 days before the election with the clerk of the entity presenting the question.

(c) The vote upon the question approving the resolution is by ballot and is in substantially the following form:

"Shall _____ (township, village, city, or other) as provided by 1986 PA 196 withdraw from the authority as a member?

Yes ____

No ____".

(d) All ballots are cast, canvassed, and the results of the election certified in the same manner as ballots on any other question submitted to the electors of the entity seeking withdrawal pursuant to the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

(e) Payment or the provision for payment is made regarding all obligations of the political subdivision to the public authority or its creditors. If withdrawal is approved by a majority of the electors voting on the question, the decision will take effect at the expiration date of the tax and neither the authority nor officials of the political subdivision may appeal or amend this decision.

(3) A tax authorized to be levied by a public authority within the boundaries of the political subdivision or the portion of a political subdivision to be released shall continue to be levied for the period of time originally authorized and shall be paid over to the public authority originally authorized to be the recipient of the tax revenue. A political subdivision or portion of a political subdivision that has been released from an authority shall continue to receive transportation services from the authority until the political subdivision or portion of the political subdivision is no longer required to pay a tax levied by the authority.

(4) Release of a political subdivision or portion of a political subdivision from a public authority shall be evidenced by an amendment to the articles of incorporation executed by the recording officer of a public authority and filed and published in the same manner as the original articles of incorporation.

(5) A political subdivision or other entity that is part of a public authority under this act may withdraw from the public authority until the expiration of the thirtieth day following

the date the public authority is incorporated or until the expiration of the thirtieth day after receiving notification under subsection (7), whichever is later, without meeting the conditions listed in subsection (1) or (2). If a public authority under this act has as a member a political subdivision that is part of a metropolitan statistical area, as defined by the United States department of commerce or a successor agency, and the metropolitan statistical area has a population of not less than 600,000 and not more than 1,500,000, a political subdivision or other entity that is part of the public authority may also withdraw from the public authority until the expiration of 30 days after the date on which the board of the public authority adopts a resolution calling for an election for the purpose of levying a tax pursuant to section 18, without meeting the conditions listed in subsection (1) or (2). If all or a portion of a city, village, or township is part of an authority incorporating as a public authority under this act, the city, village, or township may also decide to only withdraw a portion of the entity bounded by the lines described in section 4 from the public authority under the deadline established in this subsection. In addition, a political subdivision or other entity that is part of a public authority under this act may withdraw from the public authority in any year in which a tax authorized to be levied under this act expires, without meeting the conditions listed in subsection (1) or (2), if the political subdivision or entity makes the determination to withdraw by a vote of its legislative body held in January of that year. Further, if all or a portion of a city, village, or township is part of an authority incorporating as a public authority under this act, the city, village, or township may also decide to only withdraw a portion of the entity bounded by the lines described in section 4 from the public authority in that same January. However, if a tax is authorized to be levied in a political subdivision or portion of a political subdivision by a public authority under this act and the political subdivision or portion of a political subdivision withdraws pursuant to this subsection, the tax shall continue to be levied in the political subdivision or portion of a political subdivision for the period of time originally authorized. A political subdivision or portion of a political subdivision that withdraws from the authority shall continue to receive public transportation services from the authority until the political subdivision or portion of the political subdivision is no longer required to pay a tax levied by the authority.

(6) A petition under subsection (2), including the circulation and signing of the petition, is subject to section 488 of the Michigan election law, 1954 PA 116, MCL 168.488. A person who violates a provision of the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, applicable to a petition described in subsection (2) is subject to the penalties prescribed for that violation in the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

(7) An authority that forms under this act on or after May 1, 2006 shall notify all political subdivisions or portions of any city, village, or township that are included in the authority that the political subdivision or portion of the political subdivision is included in the authority. The authority shall include in this notification notice of the right to withdraw from the authority under this section. The political subdivision or portion of the political subdivision that is notified has 30 days after receiving the notification to withdraw from the authority pursuant to subsection (5).

124.468 Tax levy; collection.

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

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

(3) The tax authorized under subsection (1) shall not be levied except upon the approval of a majority of the registered electors residing in the public authority affected and qualified to vote and voting on the tax at a general or special election. The election may be called by resolution of the board of the public authority. The recording officer of the public authority shall file a copy of the resolution of the board calling the election with the clerk of each affected county, city, or township not less than 60 days before the date of the election. The resolution calling the election shall contain a statement of the proposition to be submitted to the electors. Each county, city, and township clerk and all other county, city, and township officials shall undertake those steps to properly submit the proposition to the electors of the county, city, and township at the election specified in the resolutions of the public authority. The election shall be conducted and canvassed in accordance with the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, except that if the public authority is located in more than 1 county, the election shall be canvassed by the state board of canvassers. The results of the election shall be certified to the board of the public authority promptly after the date of the election. Not more than 1 election may be held in a public authority in a calendar year for approval of the tax authorized under subsection (1). If the election is a special election, the public authority in which the election is held shall pay its share of the costs of the election.

(4) Except as otherwise provided in this subsection, the taxes authorized by this section may be levied at a rate and for a period of not more than 5 years as determined by the public authority in the resolution calling the election and as set forth in the proposition submitted to the electors. Taxes may be levied at a rate and for a period of not more than 25 years as determined by the public authority in the resolution calling the election and as set forth in the proposition submitted to the electors if the public authority seeking the levy is seeking the levy for public transit services that include a fixed guideway project authorized under 49 USC 5309.

(5) The tax rate authorized by this section shall be levied and collected as are all ad valorem property taxes in the state and the recording officer of the public authority shall at the appropriate times certify to the proper tax assessing or collecting officers of each tax collecting county, city, and township the amount of taxes to be levied and collected each year by each county, city, and township. Consistent with subsection (6), the board of the public authority shall determine on which tax roll, if there be more than 1, of each county, city, or township that the taxes authorized by this section shall be collected. Each tax assessing and collecting officer and each county treasurer shall levy and collect the taxes certified by the public authority and pay those taxes to the public authority by the time provided in section 43 of the general property tax act, 1893 PA 206, MCL 211.43. The tax rate authorized by this section may be first levied by the public authority as a part of the first tax roll of the appropriate counties, cities, and townships occurring after the election described in subsection (3). The tax may be levied and collected on the July or December tax roll next following the date of election, if the tax is certified to the proper tax assessing officials not later than May 15 or September 15, respectively, of the year in which the election is held.

(6) A public authority which is authorized to impose a July property tax levy and if it determines to do so, it shall negotiate agreements with the appropriate cities and townships for the collection of that levy. If a city or township and the public authority fail to reach an agreement for the collection by the city or township of the July property tax levy of the public authority, the public authority then may negotiate, until April 1, a proposed agreement with the county treasurer to collect its July property tax levy against property located in that city or township. If the county treasurer and the public authority fail to reach an agreement for the collection by the county of the July property tax levy of the

public authority, the July property tax levy shall be collected with the December property tax levy. Any agreement negotiated under this subsection shall guarantee the collecting unit its reasonable expenses. The provisions of this subsection shall not apply to a city or township which is levying a July property tax.

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

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

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

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

(c) 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.

(d) Taxes shall be collected on or before September 14 and all taxes and interest imposed pursuant to subdivision (f) unpaid before March 1 shall be returned as delinquent on March 1. Taxes delinquent under this subdivision shall be collected pursuant to the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(e) Interest shall be added to taxes collected after September 14 at that rate imposed by section 59 of the general property tax act, 1893 PA 206, MCL 211.59, on delinquent property tax levies which became a lien in the same year.

(f) All or a portion of fees or charges, or both, authorized under section 44 of the general property tax act, 1893 PA 206, MCL 211.44, may be imposed on taxes paid before March 1 and shall be retained by the treasurer actually performing the collection of the July property tax levy of the public authority, regardless of whether all or part of these fees or charges, or both, have been waived by the township or city.

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

(10) To the extent applicable and consistent with the requirements of this section, the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, shall apply to proceedings in relation to the assessment, spreading, and collection of taxes pursuant to this section. Additionally, in relation to the assessment, spreading, and collection of taxes pursuant to this section, the county treasurer shall have powers and duties similar to those prescribed by the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, for township supervisors, township clerks, and township treasurers. However, this section shall not be considered to transfer any authority over the assessment of property.

(11) If a county treasurer collects the July property tax levy of the public authority, the township or city shall deliver by June 1 a certified copy of the assessment roll containing state equalized valuations for each parcel of taxable property in the township or city to the treasurer collecting the July property tax levy of the public authority. The county treasurer receiving this certified copy of the assessment roll shall remit the necessary cost incident to the reproduction of the assessment roll to the township or city.

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

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

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

This act is ordered to take immediate effect.
Approved June 6, 2006.
Filed with Secretary of State June 6, 2006.

[No. 176]

(HB 4437)

AN ACT to make, supplement, and adjust appropriations for various state departments and agencies for the fiscal year ending September 30, 2006; and to provide for the expenditure of the appropriations.

The People of the State of Michigan enact:

PART 1

LINE-ITEM APPROPRIATIONS

Appropriation; various state departments and agencies; supplement for fiscal year ending September 30, 2006.

Sec. 101. There is appropriated for the various state departments and agencies to supplement appropriations for the fiscal year ending September 30, 2006, from the following funds:

APPROPRIATION SUMMARY:

GROSS APPROPRIATION	$	24,018,400
Total interdepartmental grants and intradepartmental transfers		11,000,000
ADJUSTED GROSS APPROPRIATION	$	13,018,400
Special revenue funds:		
Total other state restricted revenues		13,018,400
State general fund/general purpose	$	0

		For Fiscal Year Ending Sept. 30, 2006
Department of transportation.		
Sec. 102. DEPARTMENT OF TRANSPORTATION		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	11,000,000
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	11,000,000
Special revenue funds:		
Michigan transportation fund		11,000,000
State general fund/general purpose	$	0
(2) COLLECTION, ENFORCEMENT, AND OTHER AGENCY SUPPORT SERVICES		
MTF grant to department of state for reissuance of registration plates	$	11,000,000
GROSS APPROPRIATION	$	11,000,000
Appropriated from:		
Special revenue funds:		
Michigan transportation fund		11,000,000
State general fund/general purpose	$	0
Department of state.		
Sec. 103. DEPARTMENT OF STATE		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	11,000,000
Total interdepartmental grants and intradepartmental transfers		11,000,000
State general fund/general purpose	$	0
(2) CUSTOMER DELIVERY SERVICES		
Reissue registration plates	$	11,000,000
GROSS APPROPRIATION	$	11,000,000
Appropriated from:		
Interdepartmental grant revenues:		
IDG from MDOT, Michigan transportation fund		11,000,000
State general fund/general purpose	$	0
Capital outlay.		
Sec. 104. CAPITAL OUTLAY		
(1) APPROPRIATION SUMMARY		
GROSS APPROPRIATION	$	2,018,400
Total interdepartmental grants and intradepartmental transfers		0
ADJUSTED GROSS APPROPRIATION	$	0
Special revenue funds:		
Michigan natural resources trust fund		2,018,400
State general fund/general purpose	$	0
(2) DEPARTMENT OF NATURAL RESOURCES - MICHIGAN NATURAL RESOURCES TRUST FUND		
Walloon Lake access project	$	2,018,400
GROSS APPROPRIATION	$	2,018,400
Appropriated from:		
Michigan natural resources trust fund		2,018,400
State general fund/general purpose	$	0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

GENERAL SECTIONS

Total state spending; payments to local units of government.

Sec. 201. In accordance with the provisions of section 30 of article IX of the state constitution of 1963, total state spending from state resources in this appropriation act for the fiscal year ending September 30, 2006 is $13,018,400.00 and state appropriations paid to local units of government are $2,018,400.00. The itemized statement below identifies appropriations from which spending to local units of government will occur:

CAPITAL OUTLAY		
Department of natural resources - natural resources trust fund	$	2,018,400
TOTAL	$	2,018,400

Appropriations and expenditures subject to MCL 18.1101 to 18.1594.

Sec. 202. The appropriations made and expenditures authorized under this act and the departments, commissions, boards, offices, and programs for which appropriations are made under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

DEPARTMENT OF TRANSPORTATION

Reissuance of registration license plates; billings.

Sec. 301. The department is authorized to receive billings from the department of state associated with the costs of reissuing registration license plates as provided under section 224 of the Michigan vehicle code, 1949 PA 300, MCL 257.224.

DEPARTMENT OF STATE

Reissuance of registration license plates; additional costs.

Sec. 401. The appropriations in part 1 are intended to fund the incremental additional costs of reissuing registration license plates as provided in section 224 of the Michigan vehicle code, 1949 PA 300, MCL 257.224.

Work project; carrying forward funds.

Sec. 403. The appropriations in part 1 for the department of state may be designated as work projects and carried forward to support the costs associated with reissuing registration license plates. Funds designated in this manner are not available for expenditure until approved as work projects under section 451a of the management and budget act, 1984 PA 431, MCL 18.1451a.

CAPITAL OUTLAY

Administration of natural resources trust fund grants; agreements.

Sec. 501. The department of natural resources shall require local units of government to enter into agreements with the department for the purpose of administering the natural resources trust fund grants identified in part 1 of this act. Among other provisions, the agreements shall require that grant recipients agree to dedicate to public outdoor recreation uses in perpetuity the land acquired or developed; to replace lands converted or lost to other than public outdoor recreation use; and for parcels acquired that are over 5 or more acres in size, to provide the state with a nonparticipating 1/6 minimum royalty interest in any acquired minerals that are retained by the grant recipient. The agreements shall also provide that the full payments of grants can be made only after proof of acquisition or completion of the development project is submitted by the grant recipient and all costs are verified by the department of natural resources.

Natural resources trust fund appropriation; use; reversion.

Sec. 502. Any unobligated balance in any natural resources trust fund appropriation made under part 1 of this act shall not revert to the funds from which appropriated at the close of the fiscal year, but shall continue until the purpose for which it was appropriated is completed for a period not to exceed 3 fiscal years. The unexpended balance of any natural resources trust fund appropriation made in part 1 of this act remaining after the purpose for which it was appropriated is completed shall revert to the Michigan natural resources trust fund and be made available for appropriation.

Conditional effective date.

Enacting section 1. This act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) House Bill No. 5607.

(b) House Bill No. 5979.

This act is ordered to take immediate effect.

Approved June 6, 2006.

Filed with Secretary of State June 6, 2006.

Compiler's note: House Bill No. 5607, referred to in enacting section 1, was filed with the Secretary of State June 6, 2006, and became PA 177, Imd. Eff. June 6, 2006.

House Bill No. 5979, also referred to in enacting section 1, was filed with the Secretary of State June 6, 2006, and became PA 178, Imd. Eff. June 6, 2006.

[No. 177]

(HB 5607)

AN ACT to amend 1949 PA 300, entitled "An act to provide for the registration, titling, sale, transfer, and regulation of certain vehicles operated upon the public highways of this state or any other place open to the general public or generally accessible to motor vehicles and distressed vehicles; to provide for the licensing of dealers; to provide for the examination, licensing, and control of operators and chauffeurs; to provide for the giving of proof of financial responsibility and security by owners and operators of vehicles; to provide for the imposition, levy, and collection of specific taxes on vehicles, and the levy and collection of sales and use taxes, license fees, and permit fees; to provide for the regulation and use

of streets and highways; to create certain funds; to provide penalties and sanctions for a violation of this act; to provide for civil liability of owners and operators of vehicles and service of process on residents and nonresidents; to provide for the levy of certain assessments; to provide for the enforcement of this act; to provide for the creation of and to prescribe the powers and duties of certain state and local agencies; to impose liability upon the state or local agencies; to provide appropriations for certain purposes; to repeal all other acts or parts of acts inconsistent with this act or contrary to this act; and to repeal certain parts of this act on a specific date," by amending section 224 (MCL 257.224), as amended by 1995 PA 129.

The People of the State of Michigan enact:

257.224 Registration plate generally.

Sec. 224. (1) Except as otherwise provided in this act regarding tabs or stickers, upon registering a vehicle, the secretary of state shall issue to the owner 1 registration plate.

(2) A registration plate shall display the registration number assigned to the vehicle for which the registration plate is issued; the name of this state, which may be abbreviated; and when the registration plate expires, which may be shown by a tab or sticker furnished by the secretary of state.

(3) A registration plate issued for motor vehicles owned and operated by this state; a state institution; a municipality; a privately incorporated, nonprofit volunteer fire department; or a nonpublic, nonprofit college or university of this state shall not expire at any particular time but shall be renewed when the registration plate is worn out or is illegible. This registration plate shall be assigned upon proper application and payment of the applicable fee and may be used on any eligible vehicle titled to the applicant if a written record is kept of the vehicles upon which the registration plate is used. The written record shall state the time the registration plate is used on a particular vehicle. The record shall be open to inspection by a law enforcement officer or a representative of the secretary of state.

(4) A registration plate issued for a vehicle owned by the civil air patrol as organized under 36 USC 201 to 208; a vehicle owned by a nonprofit organization and used to transport equipment for providing dialysis treatment to children at camp; an emergency support vehicle used exclusively for emergencies and owned and operated by a federally recognized nonprofit charitable organization; a vehicle owned and operated by a nonprofit veterans center; a motor vehicle having a truck chassis and a locomotive or ship's body which is owned by a nonprofit veterans organization and used exclusively in parades and civic events; a vehicle owned and operated by a nonprofit recycling center or a federally recognized nonprofit conservation organization until December 31, 2000; a motor vehicle owned and operated by a senior citizen center; and a registration plate issued for buses including station wagons, carryalls, or similarly constructed vehicles owned and operated by a nonprofit parents' transportation corporation used for school purposes, parochial school, society, church Sunday school, or other grammar school, or by a nonprofit youth organization or nonprofit rehabilitation facility shall be issued upon proper application and payment of the applicable tax provided in section 801(1)(g) or (h) to the applicant for the vehicle identified in the application. The vehicle shall be used exclusively for activities of the school or organization and shall be designated by proper signs showing the school or organization operating the vehicle. The registration plate shall expire on December 31 in the fifth year following the date of issuance. The registration plate may be transferred to another vehicle upon proper application and payment of a $10.00 transfer fee.

(5) Beginning January 1, 2007, the department shall not issue or transfer a standard design beads on paint registration plate or issue a registration tab or sticker for that plate, but shall offer a new standard design registration plate that complies with the requirements of this act. The new standard design registration plate shall be of a common color scheme and design that is made of fully reflectorized material and shall be clearly visible at night. The implementation of this subsection is contingent upon appropriations sufficient to cover the costs to the department of designing, manufacturing, distributing, and issuing the new standard design registration plate. The secretary of state shall file a written report with the secretary of the senate and the clerk of the house of representatives of the costs incurred and revenue expended to meet the requirements of this subsection within 30 days after all of the standard design beads on paint registration plates to be replaced under this subsection have been replaced.

(6) The registration plate and the required letters and numerals on the registration plate shall be of sufficient size to be plainly readable from a distance of 100 feet during daylight. The secretary of state may issue a tab or tabs designating the month and year of expiration.

(7) The secretary of state shall issue for every passenger motor vehicle rented without a driver the same type of registration plate as the type of registration plate issued for private passenger vehicles.

(8) A person shall not operate a vehicle on the public highways or streets of this state displaying a registration plate other than the registration plate issued for the vehicle by the secretary of state, except as provided in this chapter for nonresidents, and by assignment provided in subsection (3).

(9) The registration plate displayed on a vehicle registered on the basis of elected gross weight shall indicate the elected gross weight for which the vehicle is registered.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) House Bill No. 4437.

(b) House Bill No. 5979.

This act is ordered to take immediate effect.
Approved June 6, 2006.
Filed with Secretary of State June 6, 2006.

Compiler's note: House Bill No. 4437, referred to in enacting section 1, was filed with the Secretary of State June 6, 2006, and became 2006 PA 176, Imd. Eff. June 6, 2006.

House Bill No. 5979, also referred to in enacting section 1, was filed with the Secretary of State June 6, 2006, and became 2006 PA 178, Imd. Eff. June 6, 2006.

[No. 178]

(HB 5979)

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 10 (MCL 247.660), as amended by 2004 PA 384.

The People of the State of Michigan enact:

247.660 Michigan transportation fund; establishment; use of money appropriated; programs; allocation to transportation economic development fund; transfer of funds to state trunk line fund; creation of local bridge fund and regional bridge councils.

Sec. 10. (1) A fund to be known as the Michigan transportation fund is established and shall be set up and maintained in the state treasury as a separate fund. Money received and collected under the motor fuel tax act, 2000 PA 403, MCL 207.1001 to 207.1170, except a license fee provided in that act, and a tax, fee, license, and other money received and collected under sections 801 to 810 of the Michigan vehicle code, 1949 PA 300, MCL 257.801 to 257.810, except a truck safety fund fee provided in section 801(1)(k) of the Michigan vehicle code, 1949 PA 300, MCL 257.801, and money received under the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, shall be deposited in the state treasury to the credit of the Michigan transportation fund. In addition, income or profit derived from the investment of money in the Michigan transportation fund shall be deposited in the Michigan transportation fund. Except as provided in this act, no other money, whether appropriated from the general fund of this state or any other source, shall be deposited in the Michigan transportation fund. Except as otherwise provided in this section, the legislature shall appropriate funds for the necessary expenses incurred in the administration and enforcement of the motor fuel tax act, 2000 PA 403, MCL 207.1001 to 207.1170, the motor carrier act, 1933 PA 254, MCL 475.1 to 479.43, and sections 801 to 810 of the Michigan vehicle code, 1949

PA 300, MCL 257.801 to 257.810. Funds appropriated for necessary expenses shall be based upon established cost allocation methodology that reflects actual costs. Appropriations for the necessary expenses incurred by the department of state in administration and enforcement of sections 801 to 810 of the Michigan vehicle code, 1949 PA 300, MCL 257.801 to 257.810, shall be made from the Michigan transportation fund and from funds in the transportation administration collection fund created in section 810b of the Michigan vehicle code, 1949 PA 300, MCL 257.810b. Appropriations from the Michigan transportation fund for the necessary expenses incurred by department of state in administration and enforcement of sections 801 to 810 of the Michigan vehicle code, 1949 PA 300, MCL 257.801 to 257.810, shall not exceed $20,000,000.00 per state fiscal year except for the fiscal year ending September 30, 2006. For the fiscal year ending September 30, 2006, the legislature may appropriate funds in excess of $20,000,000.00 from the Michigan transportation fund for all incremental additional expenses incurred by the department of state in enforcing sections 801 to 810 of the Michigan vehicle code, 1949 PA 300, MCL 257.801 to 257.810, that arise because of the replacement of standard design registration license plates as provided in section 224 of the Michigan vehicle code, 1949 PA 300, MCL 257.224. All money in the Michigan transportation fund is apportioned and appropriated in the following manner:

(a) Not more than $3,000,000.00 as may be annually appropriated each fiscal year to the state trunk line fund for subsequent deposit in the rail grade crossing account.

(b) Not less than $3,000,000.00 each year to the local bridge fund established in subsection (5) for the purpose of payment of the principal, interest, and redemption premium on any notes or bonds issued by the state transportation commission under former section 11b or subsection (10).

(c) Revenue from 3 cents of the tax levied under section 8(1)(a) of the motor fuel tax act, 2000 PA 403, MCL 207.1008, to the state trunk line fund, county road commissions, and cities and villages in the percentages provided in subdivision (i).

(d) Until September 30, 2004, all of the revenue from 1 cent of the tax levied under section 8(1)(a) of the motor fuel tax act, 2000 PA 403, MCL 207.1008, to the state trunk line fund for repair of state bridges under section 11. Beginning October 1, 2004 and continuing through September 30, 2005, 3/4 of the revenue from 1 cent of the tax levied under section 8(1)(a) of the motor fuel tax act, 2000 PA 403, MCL 207.1008, shall be appropriated to the state trunk line fund for the repair of state bridges under section 11, and 1/4 of the revenue from 1 cent of the tax levied under section 8(1)(a) of the motor fuel tax act, 2000 PA 403, MCL 207.1008, shall be appropriated to the local bridge fund created in subsection (5) for distribution only to cities, villages, and county road commissions. Beginning October 1, 2005, 1/2 of the revenue from 1 cent of the tax levied under section 8(1)(a) of the motor fuel tax act, 2000 PA 403, MCL 207.1008, shall be appropriated to the state trunk line fund for the repair of state bridges under section 11, and 1/2 of the revenue from 1 cent of the tax levied under section 8(1)(a) of the motor fuel tax act, 2000 PA 403, MCL 207.1008, shall be appropriated to the local bridge fund created in subsection (5) for distribution only to cities, villages, and county road commissions.

(e) $43,000,000.00 to the state trunk line fund for debt service costs on state of Michigan projects.

(f) Except as provided in subsection (4), 10% to the comprehensive transportation fund for the purposes described in section 10e.

(g) $5,000,000.00 to the local bridge fund established in subsection (5) for distribution only to the local bridge advisory board, the regional bridge councils, cities, villages, and county road commissions.

(h) $36,775,000.00 to the state trunk line fund for subsequent deposit in the transportation economic development fund, and, as of September 30, 1997, with first priority for allocation to debt service on bonds issued to fund transportation economic development fund projects. In addition, beginning October 1, 1997, $3,500,000.00 is appropriated from the Michigan transportation fund to the state trunk line fund for subsequent deposit in the transportation economic development fund to be used for economic development road projects in any of the targeted industries described in section 9(1)(a) of 1987 PA 231, MCL 247.909.

(i) Not less than $33,000,000.00 as may be annually appropriated each fiscal year to the local program fund created in section 11e.

(j) The balance of the Michigan transportation fund as follows, after deduction of the amounts appropriated in subdivisions (a) through (i) and section 11b:

(*i*) 39.1% to the state trunk line fund for the purposes described in section 11.

(*ii*) 39.1% to the county road commissions of the state.

(*iii*) 21.8% to the cities and villages of the state.

(2) The money appropriated pursuant to this section shall be used for the purposes as provided in this act and any other applicable act. Subject to the requirements of section 9b, the department shall develop programs in conjunction with the Michigan state chamber of commerce and the Michigan minority business development council to assist small businesses, including those located in enterprise zones and those located in empowerment zones as determined under federal law, as defined by law in becoming qualified to bid.

(3) Thirty-one and one-half percent of the funds appropriated to this state from the federal government pursuant to 23 USC 157, commonly known as minimum guarantee funds, shall be allocated to the transportation economic development fund, if such an allocation is consistent with federal law. These funds shall be distributed 16-1/2% for development projects for rural counties as defined by law and 15% for capacity improvement or advanced traffic management systems in urban counties as defined by law. Federal funds allocated for distribution under this section shall be eligible for obligation and use by all recipients as defined by the transportation equity act for the 21st century, Public Law 105-178.

(4) For the fiscal year beginning October 1, 2003 only, the apportionment of 10% of Michigan transportation fund money to the comprehensive transportation fund as provided in subsection (1)(f) shall be reduced by $10,000,000.00 and the $10,000,000.00 shall be transferred to the state trunk line fund for capacity improvements to state trunk line highways.

(5) A fund to be known as the local bridge fund is established and is set up and maintained in the state treasury as a separate fund. The money appropriated to the local bridge fund and the interest accruing to that fund shall be expended for the local bridge program. The purpose of the fund is to provide financial assistance to highway authorities for the preservation, improvement, or reconstruction of existing bridges or for the construction of bridges to replace existing bridges in whole or part. The money in the local bridge fund is not subject to section 12(15) or 13(5). The local bridge advisory board is created and shall consist of 6 voting members appointed by the state transportation commission and 2 nonvoting members appointed by the state transportation department. The board shall include 3 members from the county road association of Michigan, 1 member who represents counties with populations 65,000 or greater, 1 member who represents counties with populations greater than 30,000 and less than 65,000, and 1 member who represents counties with populations of 30,000 or less. Three members shall be appointed from the Michigan municipal league, 1 member who represents cities with a population 75,000 or greater, 1 member who represents cities with a population less than 75,000, and 1 member who represents villages.

Each organization with voting rights shall submit a list of nominees in each population category to the state transportation commission. The state transportation commission shall make the appointments from the lists submitted under this subsection. Names shall be submitted within 45 days after October 1, 2004. The state transportation commission shall make the appointments by January 30, 2005. Voting members shall be appointed for 2 years. The chairperson of the board shall be selected from among the voting members of the board. In addition to the 2 nonvoting members, the department shall provide qualified administrative staff and qualified technical assistance to the board.

(6) Beginning October 1, 2005, no less than 5% and no more than 15% of the funds received in the local bridge fund may be used for critical repair of large bridges and emergencies as determined by the local bridge advisory board. Beginning October 1, 2005, funds remaining after the funds allocated for critical large bridge repair and emergencies are deducted shall be distributed by the board to the regional bridge councils created under this section. One regional council shall be formed for each department of transportation region as those regions exist on October 1, 2004. The regional councils shall consist of 2 members of the county road association of Michigan from counties in the region, 2 members of the Michigan municipal league from cities and villages in the region, and 1 member of the state transportation department in each region. The members of the state transportation department shall be nonvoting members who shall provide qualified administrative staff and qualified technical assistance to the regional councils.

(7) Beginning October 1, 2005, funds in the local bridge fund after deduction of the amounts set aside for critical repair of large bridges and emergency repairs shall be distributed among the regional bridge councils according to all of the following ratios, which shall be assigned a weight expressed as a percentage as determined by the board, with each ratio receiving no greater than a 50% weight and no less than a 25% weight:

(a) A ratio with a numerator that is the total number of local bridges in the region and a denominator that is the total number of local bridges in this state.

(b) A ratio with a numerator that is the total local bridge deck area in the region and a denominator that is the total local bridge deck area in this state.

(c) A ratio with a numerator that is the total amount of structurally deficient local bridge deck area in the region and a denominator that is the total amount of structurally deficient local bridge deck area in this state.

(8) Beginning October 1, 2005, the regional bridge councils shall allocate the funds received from the board for the preservation, improvement, and reconstruction of existing bridges or for the construction of bridges to replace existing bridges in whole or in part in each region.

(9) Beginning January 1, 2007 and each January after 2007, the department shall submit a report to the chair and the minority vice-chair of the appropriations committees of the senate and the house of representatives, and to the standing committees on transportation of the senate and the house of representatives, on all of the following activities for the previous state fiscal year:

(a) A listing of how much money was dedicated for emergency and large bridge repair.

(b) A listing of what emergency and large bridge repair projects were funded.

(c) The actual weights used in the calculation required under subsection (7).

(d) A listing of the total money distributed to each region.

(e) A listing of what specific projects were funded pursuant to subsection (8).

(10) The state transportation commission shall borrow money and issue notes or bonds in an amount of not less than $30,000,000.00 to supplement the funding provided for the local bridge program under subsection (6). The bonds or notes issued pursuant to this subsection may be issued by the commission for any purpose for which other local bridge funds may be used under this section. The bonds or notes authorized by this subsection shall be issued by resolution of the state transportation commission consistent with the requirements of section 18b.

(11) The state transportation department shall promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, governing the administration of the local bridge program. The rules shall set forth the eligibility criteria for financial assistance under the program and other matters related to the program that the department considers necessary and desirable. The department shall take into consideration the availability of federal aid and other financial resources of the highway authority responsible for the bridge, the importance of the bridge to the highway, road, or street network, and the condition of the existing bridge.

(12) Beginning October 1, 2004, the revenue appropriated to the local bridge fund pursuant to subsection (1)(d) shall be distributed only to the local bridge advisory board, the regional bridge councils, cities, villages, and county road commissions.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) House Bill No. 4437.

(b) House Bill No. 5607.

This act is ordered to take immediate effect.

Approved June 6, 2006.

Filed with Secretary of State June 6, 2006.

Compiler's note: House Bill No. 4437, referred to in enacting section 1, was filed with the Secretary of State June 6, 2006, and became 2006 PA 176, Imd. Eff. June 6, 2006.

House Bill No. 5607, also referred to in enacting section 1, was filed with the Secretary of State June 6, 2006, and became 2006 PA 177, Imd. Eff. June 6, 2006.

[No. 179]

(HB 5114)

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 52706 (MCL 324.52706), as amended by 2004 PA 377.

The People of the State of Michigan enact:

324.52706 Department, department of treasury, or state officer; authority to sell state lands to municipalities for forestry; reversion; relinquishing reversionary interest; definitions; use of term "this section."

Sec. 52706. (1) The department, the department of treasury, or a state officer having charge of state land, may sell homestead, tax, swamp, or primary school land to a public agency for forestry purposes, at a price set by the department, department of treasury, or other state officer. However, the amount of land sold shall not exceed the amount that may be necessary for the public agency, and any land that is sold shall be suitable for and used solely for a forestry purpose unless conveyed as provided in this section. Land sold to a public agency under this section or section 6 of former 1931 PA 217 shall be used only for a forestry purpose if the land is prime land. When the prime land is no longer used for a forestry purpose, the land shall revert to this state.

(2) Except as provided in subsection (6), the department shall relinquish a reversionary interest in municipal forestland, conveyed to a public agency under this section or section 6 of former 1931 PA 217 before October 12, 2004, within 90 days after the department receives, on a form prescribed by the department, a written request for relinquishment from the public agency that owns the municipal forestland subject to the reversionary interest. The department shall relinquish its reversionary interest by an instrument approved by the department of attorney general and recorded by the department with the register of deeds of the county where the municipal forestland is located. The instrument shall include provisions implementing subsections (3) through (9). The department may charge the public agency an amount equal to the charge for recording the release.

(3) Beginning 4 years after the effective date of the 2006 amendatory act that amended this subsection, a public agency to which a reversionary interest was relinquished under subsection (2) shall not convey the municipal forestland formerly subject to the reversionary interest unless the conveyance is approved by the department.

(4) Subject to subsection (5), a public agency to which a reversionary interest was relinquished under subsection (2) and any public agency that is a successor in interest shall not convey the municipal forestland formerly subject to the reversionary interest, or any part thereof, unless the conveyance is to a public agency for $1.00 or to a public agency or any other person for fair market value. If the conveyance is to a public agency for $1.00, the deed shall recite "MCL 324.52706 requires an accounting and specifies how proceeds are to be distributed when the property is subsequently conveyed for fair market value." If the conveyance is to a public agency or any other person for fair market value, the public agency conveying the property shall have an accounting taken, shall retain 50% of the proceeds, and shall submit the remaining 50% of the proceeds to the department of treasury for deposit as follows:

(a) The first $18,000,000.00 in total proceeds from all such conveyances shall be deposited in the general fund.

(b) Any proceeds in excess of $18,000,000.00 shall be deposited in the fire protection fund created in section 732a of the Michigan vehicle code, 1949 PA 300, MCL 257.732a.

(5) Once the municipal forestland or part thereof formerly subject to a reversionary interest is conveyed for fair market value and an accounting is taken and the proceeds are distributed as provided under subsection (4), subsection (4) does not apply to subsequent conveyances of that municipal forestland or part thereof, respectively.

(6) Subsection (2) does not apply to prime land.

(7) A public agency to which a reversionary interest is relinquished under subsection (2) shall not convey the municipal forestland formerly subject to the reversionary interest to a third person unless the public agency has conducted a public hearing on the proposed conveyance. The public agency may conduct a second public hearing on the proposed conveyance if the public agency determines that a second public hearing may be necessary. Notice of a public hearing under this subsection shall be published at least twice in a newspaper of general circulation in the county or counties where the municipal forestland is located, not more than 28 or less than 7 days before the hearing. The notice shall describe where the municipal forestland is located, specify the approximate size of the municipal forestland, describe its current use, and identify the person to whom the municipal forestland is proposed to be sold, if known. The public agency shall provide a copy of the notice to the director of the department not less than 7 days before the hearing.

(8) The requirements of subsection (7) do not relieve the public agency of any notice, hearing, or other requirements imposed by any other law.

(9) If, before 4 years after the effective date of the 2006 amendatory act that amended this subsection, municipal forestland formerly subject to a reversionary interest that was relinquished under subsection (2) is conveyed by a public agency, the public agency shall notify the department within 60 days of the conveyance. Notice of the conveyance shall be in a form prescribed by the department.

(10) If municipal forestland was conveyed to a public agency under this section or section 6 of former 1931 PA 217 and the municipal forestland is subsequently conveyed by the public agency to the department, then, for purposes of subparts 13 and 14 of part 21, the municipal forestland shall not be considered to have been reacquired by the department on or after January 1, 1933 for natural resource purposes unless the municipal forestland was originally acquired by the department on or after January 1, 1933 for natural resource purposes.

(11) As used in this section:

(a) "Basal area" means the sum of the cross-sectional area of trees 4 inches or greater in diameter measured at 4.5 feet from the highest ground at the base of each tree.

(b) "Municipal forestland" means homestead, tax, swamp, or primary school land sold to a public agency under this section or section 6 of former 1931 PA 217 solely for a forestry purpose.

(c) "Prime land" means municipal forestland that meets 1 or more of the following requirements:

(*i*) Is within a boundary of a program administered by the department.

(*ii*) Provides access to a public body of water.

(*iii*) Is not less than 121 acres in size and, at any time during the preceding 10 years, had a basal area of not less than 90 square feet per acre.

(d) "Public agency" means a school district, public educational institution, governmental unit of this state or agency of this state, or a municipality.

(12) The use in this section of the phrase "this section or section 6 of former 1931 PA 217" does not imply that the term "this section" as used elsewhere in this act does not include the relevant section as it existed in former law codified in this act.

This act is ordered to take immediate effect.
Approved June 6, 2006.
Filed with Secretary of State June 6, 2006.

[No. 180]

(HB 5354)

AN ACT to authorize the state administrative board to convey certain state owned property in Ingham county; to prescribe conditions for the conveyance; to provide for certain powers and duties of certain state departments in regard to the conveyance; to provide for disposition of revenue derived from the conveyance; and to create certain funds and provide for the disposition of money from those funds.

The People of the State of Michigan enact:

Conveyance of property known as former Michigan school for the blind; quitclaim deed; fair market value; location; description.

Sec. 1. The state administrative board, on behalf of the state, may convey by quitclaim deed for not less than fair market value all or portions of certain state owned property now under the jurisdiction of the department of education, commonly known as the former Michigan school for the blind, and located in the city of Lansing, county of Ingham, Michigan, containing approximately 35 acres, and more particularly described as follows:

PARCEL A:

A parcel of land being part of Blocks 26 and 27 of the "Original Plat of Lansing", as recorded, being part of the Northwest 1/4 and Southwest 1/4 of Section 9, and also being part of the Northeast 1/4 and Southeast 1/4 of Section 8, all of T4N-R2W, City of Lansing, Ingham County, Michigan, being more particularly described as follows: BEGINNING at a M.A.G. nail at the intersection of the West line of North Pine Street (82.5' wide) and the South line of West Willow Street (Variable width); thence along the West line of said North Pine Street, S01°45'54"W, 870.00 feet to a 5/8-inch diameter iron rod and cap (#47952) on the North line of Maple Street (82.5' wide); thence along the North line of said Maple Street, N88°07'17"W, 678.35 feet to a 5/8-inch diameter iron rod and cap (#47952) on the West line of State Street (50' wide); thence along the West line of said State Street, S00°23'21"W, 202.86 feet to a concrete monument with Bronze cap (State of Michigan); thence along the North line of lands commonly known as "Comstock Park", N88°11'19"W, 892.01 feet to a 5/8-inch diameter iron rod and cap (#47952) on the East line of Princeton Avenue (60' wide); thence along the East line of said Princeton Avenue, N00°00'00"E, 892.32 feet to a 5/8-inch diameter iron rod and cap (#47952) on the South line of said West Willow Street; thence along the South line of said West Willow Street, S88°29'45"E, 452.07 feet to a 5/8-inch diameter iron rod and cap (#47952), thence 216.82 feet along the North line of lands Quit-Claimed to the State of Michigan, recorded in Liber 884-Page 282 (I.C.R.), on a non-tangential curve to the left, said curve having a radius of 469.38 feet, a central angle of 26°28'01", and a long chord which bears N78°49'20"E, 214.90 feet to a M.A.G. nail; thence continuing along said North line of lands recorded in Liber 884, Page 282, N65°35'20"E, 105.56 feet; thence along the South line of lands Quit-Claimed to the City of Lansing, recorded in Liber 882-Page 590 (I.C.R.), N65°35'20"E, 108.12 feet to a M.A.G. nail; thence continuing along said South line of lands recorded in Liber 882-Page 590, 151.53 feet on a non-tangential curve to the right, said curve having a radius of 341.85 feet, a central angle of 25°23'49", and a long chord which bears N78°17'15"E, 150.29 to a 5/8-inch diameter iron rod and cap (#47952) on the South line of said West Willow Street; thence along the South line of said West Willow Street, S88°10'25"E, 593.56 feet to the POINT OF BEGINNING, containing 32.74 acres, more or less. Subject to any easements or restrictions, recorded or unrecorded.

PARCEL B:

A parcel of land being Lots 1, 2, and 3 of "Moore's Subdivision on Block 27", as recorded in Liber 1 of Plats, Page 27 (I.C.R.), and being Lots 1-14 inclusive of "Assessor's Plat No. 38", as recorded in Liber 11 of Plats, Page 38 (I.C.R.), all being part of the Southwest 1/4 of Section 9, T4N, R2W, City of Lansing, Ingham County, Michigan, being more particularly described as follows: BEGINNING at a concrete monument at the Northeast corner of said "Assessor's Plat No. 38", thence along the West line of North Pine Street (82.5' wide), S02°05'04"W, 164.84 feet to a concrete monument at the Southeast corner of said "Assessor's Plat No. 38"; thence along the South line of said "Assessor's Plat No. 38" and along the South line of Lots 1, 2, and 3 of said "Moore's Subdivision on Block 27", N88°07'41"W, 625.33 feet to a M.A.G. nail in stump on the East line of State Street (50' wide); thence along the East line of said State Street, N00°23'21"E, 164.97 feet to a 5/8-inch diameter iron and cap (#47952) on the South line of Maple Street; thence along the South line of said Maple Street, S88°07'17"E, 630.21 feet to the POINT OF BEGINNING, containing 2.38 acres, more or less. Subject to any easements or restrictions, recorded or unrecorded.

Description subject to adjustment.

Sec. 2. The description of the property in section 1 is approximate and, for purposes of the conveyance, is subject to adjustments as the state administrative board or the attorney general considers necessary by survey or other legal description.

Surplus, salvage, and scrap property or equipment.

Sec. 3. The property described in section 1 includes all surplus, salvage, and scrap property or equipment not identified by the department of education, as of the effective date of this act, as being items to be retained by the state.

Appraisal.

Sec. 4. The fair market value of the property described in section 1 shall be determined by an appraisal prepared for the department of management and budget by an independent appraiser.

Approval of quitclaim deed by department of attorney general.

Sec. 5. The department of attorney general shall approve as to legal form and content the quitclaim deed authorized by this act.

Offer to mid-Michigan leadership academy; agreement; conditions.

Sec. 6. The director of the department of management and budget shall first offer the property described in section 1 for sale to the mid-Michigan leadership academy, a nonprofit public school academy, at not less than fair market value, subject to the conditions prescribed in this section. Mid-Michigan leadership academy has the first right to purchase the property for a period of 180 days after the effective date of this act. Before the state administrative board may convey the property to the mid-Michigan leadership academy under this section, the mid-Michigan leadership academy must enter into legally binding agreements with the LHC non-profit development corporation that provide for all of the following:

(a) Subject to a survey agreed to by the parties and conducted by the state, the conveyance of approximately 25 acres of the property from the mid-Michigan leadership academy to the LHC non-profit development corporation for consideration of $749,000.00.

(b) The apportionment of utility costs and the separation of utility service made necessary by the conveyance required under subdivision (a).

(c) A lease agreement between the parties under which the LHC non-profit development corporation will lease back to the mid-Michigan leadership academy 1 or more buildings located on the 25 acres conveyed under subdivision (a) that are necessary for the operation of the mid-Michigan leadership academy, including any necessary easements.

Conveyance by means other than pursuant to section 6.

Sec. 7. If the property described in section 1 is not sold pursuant to section 6, the department of management and budget shall take the necessary steps to prepare to convey the property described in section 1 using any of the following at any time:

(a) Competitive bidding designed to realize the best value to the state, as determined by the department of management and budget.

(b) A public auction designed to realize the best value to the state, as determined by the department of management and budget.

(c) Use of real estate brokerage services designed to realize the best value to the state, as determined by the department of management and budget.

(d) Offering the property for sale for fair market value to a local unit or units of government.

Purchase by local unit of government; right to first purchase.

Sec. 8. If a local unit of government purchases the property for fair market value and intends to convey the property within 10 years after the conveyance from the state, the local unit shall provide written notice to the director of the department of management and budget of its intent to offer the property for sale. The department of management and budget shall retain a right to first purchase the property at the original sale price, plus the costs of any improvements as determined by an independent fee appraisal, within 90 days after the notice. If the state waives its first refusal right, the local unit of government shall pay to the state 50% of the difference between the sale price of the conveyance from the state and the sale price of the local unit's subsequent sale or sales to a third party.

Reservation of oil, gas, or mineral rights.

Sec. 9. The state shall not reserve oil, gas, or mineral rights to the property conveyed under this act. However, the conveyance authorized under this act shall provide that, if the purchaser or any grantee develops any oil, gas, or minerals found on, within, or under the conveyed property, the purchaser or any grantee shall pay the state 1/2 of the gross revenue generated from the development of the oil, gas, or minerals. This payment shall be deposited in the natural resources trust fund.

Reservation of aboriginal antiquities.

Sec. 10. The state reserves all aboriginal antiquities, including mounds, earthworks, forts, burial and village sites, mines, or other relics, lying on, within, or under the property described in section 1, with power to the state and all others acting under its authority to enter the property for any purpose related to exploring, excavating, and taking away the aboriginal antiquities.

State administrative board; duties.

Sec. 11. All state agencies and departments shall provide full cooperation to the state administrative board to facilitate the performance of its duties, powers, and responsibilities and the conveyance of property under this act. The state administrative board may require a state agency or department to prepare or record any documents necessary to evidence the conveyance of property under this act.

Net revenue; distribution; definition.

Sec. 12. (1) The net revenue received from the sale of property under this act shall be distributed as follows:

(a) An amount equal to 5% of the net revenue or $50,000.00, whichever is less, shall be deposited in the state treasury and credited to the newsline for the blind fund created in section 13.

(b) The balance of the net revenue shall be deposited in the Michigan school for the blind trust fund managed by the state board of education and shall be used for the support of camp Tuhsmeheta in Greenville, Michigan.

(2) As used in this section, "net revenue" means the proceeds from the sale of the property less reimbursement for any costs to the state associated with the sale of property, including, but not limited to, administrative costs, including employee wages, salaries, and benefits; costs of reports and studies and other materials necessary to the preparation of sale; environmental remediation; legal fees; and any litigation related to the conveyance of the property.

Newsline for the blind fund; creation; disposition of money.

Sec. 13. (1) The newsline for the blind fund is created within the state treasury.

(2) The state treasurer shall receive the money designated under section 12(1)(a) for deposit into the fund. The state treasurer may receive money or other assets from any source for deposit into the fund. The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.

(3) Money in the fund at the close of the fiscal year shall remain in the fund and shall not lapse to the general fund.

(4) The Michigan commission for the blind shall expend money from the fund, upon appropriation, only for distribution to the national federation of the blind of Michigan for the purpose of the NFB-newsline program.

This act is ordered to take immediate effect.
Approved June 6, 2006.
Filed with Secretary of State June 6, 2006.

[No. 181]

(HB 5674)

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 76702 (MCL 324.76702), as added by 1995 PA 58.

The People of the State of Michigan enact:

324.76702 Mackinac Island state park commission; additional powers.

Sec. 76702. The Mackinac Island state park commission may, in addition to the powers already conferred on it by law, exercise the following powers:

(a) To acquire, construct, improve, repair, maintain, restore, equip, furnish, use, and operate all property, real or personal, necessary or convenient to the exercise of the powers or the performance of the duties conferred upon it by law, including, but not limited to, property that in the judgment of the commission will increase the beauty and utility of the state park facilities and provide recreational, historical, or other facilities for the benefit and enjoyment of the public and landscaping, driveways, streets, or walkways for such property.

(b) To employ consulting architects, engineers, museum technicians, landscape architects, supervisors, managers, lawyers, fiscal agents, and other agents and employees as it considers necessary, and to establish their compensation.

(c) To enlist the guidance, assistance, and cooperation of the Michigan historical commission.

(d) To establish charges for admission to the facilities under its jurisdiction, to establish other charges for the use of any facilities, including fees or charges to be imposed on concessionaires, and to charge rentals for the lease or use of any of its facilities as the commission determines proper and as will assure the prompt and full carrying out of all covenants contained in the proceedings authorizing any bonds pursuant to this part.

(e) To accept gifts, grants, and donations.

(f) To acquire, construct, develop, improve, repair, maintain, and operate, but not to extend the runway beyond 3,600 feet, an airport or landing field on property under its jurisdiction, and to lease to any governmental unit any real or personal property under its jurisdiction for use as an airport or landing field on the terms and conditions approved by the commission and the department of management and budget. The exercise of any power granted by this subdivision is subject to determination by the proper federal authority that such exercise will not affect the title of the state to the land involved. All rules and regulations established by any lessee shall reflect written approval by the commission before the rules or regulations are in effect.

(g) To sell real or personal property that is under the control of the commission if all of the following requirements are met:

(*i*) The property is sold for fair market value. The determination of fair market value may take into account a commitment by the buyer to keep the property open or accessible to the public. Furthermore, if the property is sold to a person who donated labor or materials for the improvement, repair, maintenance, or restoration of the property, the price may be reduced by an amount not greater than the portion of the fair market value attributable to the donation of labor or materials.

(*ii*) The commission determines that the property is not of current or potential value to the purposes of the commission as set forth in this subchapter.

(*iii*) The commission determines that the sale of the property is in the best interests of the state.

(*iv*) The sale of the property is not otherwise prohibited by law.

(*v*) If the property is real property, the property is zoned residential or commercial and is not contiguous to state park land.

This act is ordered to take immediate effect.

Approved June 6, 2006.

Filed with Secretary of State June 6, 2006.

[No. 182]

(HB 4138)

AN ACT to provide for standards of accessibility for certain publicly funded housing; and to provide for certain powers and duties of certain state authorities.

The People of the State of Michigan enact:

125.2811 Short title.

Sec. 1. This act shall be known and may be cited as the "inclusive home design act".

125.2812 Definitions.

Sec. 2. As used in this act:

(a) "Applicant" means 1 or more individuals, corporations, nonprofit corporations, partnerships, associations, limited liability companies, labor organizations, mutual corporations, joint stock companies, trusts, unincorporated associations, trustees, and entities formed under the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

(b) "Authority" means the Michigan state housing development authority created in the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c.

(c) "Family residential real estate" means real property located in this state, to be newly constructed for residential purposes and intended for occupancy by a single family, 2 families, or 3 families and that is constructed using funds provided as a construction period loan, a bridge loan, or other temporary financing with a term of not more than 24 months and that are provided under the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c. Family residential real estate does not include upper units in duplexes that are designed in an over-and-under fashion.

125.2813 New construction; compliance of family residential real estate with accessibility provisions.

Sec. 3. Beginning January 1, 2007, at least 50% of family residential real estate that is to be newly constructed after December 31, 2006 and that is receiving funding under the state housing development authority act of 1966, 1966 PA 346, MCL 125.1401 to 125.1499c, shall be constructed so that the family residential real estate complies with the accessibility provisions of the Michigan building code adopted under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531, for type "B" dwelling or sleeping units as defined in section 1102.1 of the Michigan building code.

125.2814 Forms; assurance of compliance.

Sec. 4. Each applicant for assistance from the authority shall submit an assurance on forms developed and provided by the authority that family residential real estate to be newly constructed after December 31, 2006 with funding provided by the authority shall comply with this act.

This act is ordered to take immediate effect.

Approved June 6, 2006.

Filed with Secretary of State June 9, 2006.

[No. 183]

(HB 4778)

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," (MCL 324.101 to 324.90106) by adding section 44520a.

The People of the State of Michigan enact:

324.44520a Nonmotorized livery boat; liability for injury or death to user; notice; definitions.

Sec. 44520a. (1) An owner of a nonmotorized livery boat is not liable for an injury to or the death of a user of the nonmotorized livery boat resulting from a risk inherent in the use or operation of a nonmotorized livery boat.

(2) An owner of a nonmotorized livery boat shall post in conspicuous locations a notice specifying that a user of the nonmotorized livery boat accepts the risk inherent in the use or operation of a nonmotorized livery boat.

(3) As used in this section:

(a) "Owner of a nonmotorized livery boat" means the person who owns the nonmotorized livery boat, the boat livery that rents, leases, or furnishes the nonmotorized livery boat for use, or an employee or agent of the owner or boat livery.

(b) "Risk inherent in the use or operation of a nonmotorized livery boat" means a danger or condition that is an integral part of the use or operation of a nonmotorized livery boat that is limited to 1 or more of the following:

(*i*) Wave or other water motion.

(*ii*) Weather conditions.

(*iii*) Contact or maneuvers necessary to avoid contact with another vessel or a manmade object in or near the water.

(*iv*) Contact or maneuvers necessary to avoid contact with rock, sand, vegetation, or other natural objects in or near the water.

(*v*) Malfunction of equipment, except for equipment owned by the owner of a nonmotorized livery boat.

(*vi*) Failure to use or wear a personal flotation device or to have lifesaving equipment available, except if the owner of a nonmotorized livery boat failed to provide the personal flotation device or lifesaving equipment when required by law or regulation to do so.

(*vii*) The actions of a vessel operator, except if the owner of a nonmotorized livery boat leased or rented the livery boat to an operator who the owner knew or in the exercise of reasonable care should have known was disqualified by law or regulation from operating the livery boat.

(*viii*) Having a number of persons in excess of the maximum number approved for the livery boat on board, except if the owner of a nonmotorized livery boat knowingly allowed the livery boat to leave the boat livery's premises with a number of persons in excess of

the maximum weight or number approved for the livery boat on board or did not properly inform the user of the maximum weight or number of persons approved for the livery boat.

(c) "User of the nonmotorized livery boat" means a person who participates in the use or operation of the nonmotorized livery boat regardless of whether the person rented or leased the nonmotorized livery boat.

This act is ordered to take immediate effect.
Approved June 12, 2006.
Filed with Secretary of State June 12, 2006.

[No. 184]

(HB 4977)

AN ACT to amend 1927 PA 372, entitled "An act to regulate and license the selling, purchasing, possessing, and carrying of certain firearms and gas ejecting devices; to prohibit the buying, selling, or carrying of certain firearms and gas ejecting devices without a license or other authorization; to provide for the forfeiture of firearms under certain circumstances; to provide for penalties and remedies; to provide immunity from civil liability under certain circumstances; to prescribe the powers and duties of certain state and local agencies; to prohibit certain conduct against individuals who apply for or receive a license to carry a concealed pistol; to make appropriations; to prescribe certain conditions for the appropriations; and to repeal all acts and parts of acts inconsistent with this act," by amending section 5*l* (MCL 28.425*l*), as amended by 2006 PA 92.

The People of the State of Michigan enact:

28.425*l* License; validity; duration; renewal; waiver of educational requirements.

Sec. 5*l*. (1) A license to carry a concealed pistol issued before July 1, 2003 is valid for 3 years and a license to carry a concealed pistol issued on or after July 1, 2003 but before July 1, 2006 is valid for 5 years, and a license to carry a concealed pistol issued on or after July 1, 2006 is valid until the applicant's date of birth that falls not less than 4 years or more than 5 years after the license is issued. A license that is renewed before the immediately preceding license term expires, but not more than 1 year before the immediately preceding license term expires, shall bear an issue date that is identical to the expiration date of the preceding license. A renewal of a license under section 5b shall, except as provided in this section, be issued in the same manner as an original license issued under section 5b.

(2) The concealed weapon licensing board shall issue or deny issuance of a renewal license within 60 days after the application for renewal is properly submitted. The county clerk shall issue the applicant a receipt for his or her renewal application at the time the application is submitted. The receipt shall contain all of the following:

(a) The name of the applicant.

(b) The date and time the receipt is issued.

(c) The amount paid.

(d) A statement that the receipt is for a license renewal.

(e) A statement of whether the applicant qualifies for an extension under subsection (3).

(f) The name of the county in which the receipt is issued.

(g) An impression of the county seal.

(3) If the concealed weapon licensing board fails to deny or issue a renewal license to the person within 60 days as required under subsection (2), the expiration date of the current license is extended by 180 days or until the renewal license is issued, whichever occurs first. This subsection does not apply unless the person pays the renewal fee at the time the renewal application is submitted and the person has submitted a receipt from a police agency that confirms that a background check has been requested by the applicant.

(4) A person carrying a concealed pistol after the expiration date of his or her license pursuant to an extension under subsection (3) shall keep the receipt issued by the county clerk under subsection (2) and his or her expired license in his or her possession at all times that he or she is carrying the pistol. For the purposes of this act, the receipt is considered to be part of the license to carry a concealed pistol until a renewal license is issued or denied. Failing to have the receipt and expired license in possession while carrying a concealed pistol or failing to display the receipt to a peace officer upon request is a violation of this act.

(5) The educational requirements under section 5b(7)(c) are waived for an applicant who is a retired police officer or retired law enforcement officer.

(6) The educational requirements under section 5b(7)(c) for an applicant who is applying for a renewal of a license under this act are waived except that the applicant shall certify that he or she has completed at least 3 hours' review of the training described under section 5b(7)(c) and has had at least 1 hour of firing range time in the 6 months immediately preceding the subsequent application.

This act is ordered to take immediate effect.
Approved June 16, 2006.
Filed with Secretary of State June 19, 2006.

[No. 185]

(SB 837)

AN ACT to amend 1995 PA 279, entitled "An act to license and regulate the conducting of horse race meetings in this state with pari-mutuel wagering on the results of horse races and persons involved in horse racing and pari-mutuel gaming activities at such race meetings; to create the office of racing commissioner; to prescribe the powers and duties of the racing commissioner; to prescribe certain powers and duties of the department of agriculture and the director of the department of agriculture; to provide for the promulgation of rules; to provide for the imposition of taxes and fees and the disposition of revenues; to impose certain taxes; to create funds; to legalize and permit the pari-mutuel method of wagering on the results of live and simulcast races at licensed race meetings in this state; to appropriate the funds derived from pari-mutuel wagering on the results of horse races at licensed race meetings in this state; to prescribe remedies and penalties; and to repeal acts and parts of acts," by amending section 20 (MCL 431.320), as amended by 2006 PA 42.

The People of the State of Michigan enact:

431.320 Agriculture and equine industry development programs; fund; rules.

Sec. 20. (1) It is the policy of this state to encourage the breeding of horses of all breeds in this state and the ownership of such horses by residents of this state to provide for sufficient numbers of high quality race horses of all breeds to participate in licensed race meetings in this state; to promote the positive growth and development of high quality horse racing and other equine competitions in this state as a business and entertainment activity for residents of this state; and to establish and preserve the substantial agricultural and commercial benefits of the horse racing and breeding industry to the state of Michigan. It is the intent of the legislature to further this policy by the provisions of this act and annual appropriations to administer this act and adequately fund the agriculture and equine industry programs established by this section.

(2) Money received by the racing commissioner and the state treasurer under this act shall be paid promptly into the state treasury and placed in the Michigan agriculture equine industry development fund created in subsection (3).

(3) The Michigan agriculture equine industry development fund is created in the department of treasury. The Michigan agriculture equine industry development fund shall be administered by the director of the department of agriculture with the assistance and advice of the racing commissioner.

(4) Money shall not be expended from the Michigan agriculture equine industry development fund except as appropriated by the legislature. Money appropriated by the legislature for the Michigan agriculture equine industry development fund shall be expended by the director of the department of agriculture with the advice and assistance of the racing commissioner to provide funding for the general fund as provided in subsection (17) and agriculture and equine industry development programs as provided in subsections (5) to (11).

(5) The following amounts shall be paid to standardbred and fair programs:

(a) A sum not to exceed 75% of the purses for standardbred harness horse races offered by fairs and races at licensed pari-mutuel racetracks. Purse supplements for overnight races at fairs paid pursuant to this subsection shall be $1,000.00. However, if the average purse offered for maiden overnight races of the same breed at any licensed race meeting in this state during the previous year as calculated by the department of agriculture was less than $1,000.00, purse supplements for overnight races at fairs paid under this subsection shall not exceed that average purse.

(b) A sum to be allotted on a matching basis, but not to exceed $15,000.00 each year to a single fair, for the purpose of equipment rental during fairs; ground improvement; constructing, maintaining, and repairing buildings; and making the racetrack more suitable and safe for racing at fairs.

(c) A sum to be allotted for paying special purses at fairs on 2-year-old and 3-year-old standardbred harness horses conceived after January 1, 1992, and sired by a standardbred stallion registered with the Michigan department of agriculture that was leased or owned by a resident or residents of this state and that did not serve a mare at a location outside of this state from February 1 through July 31 of the calendar year in which the conception occurred. A foal that is born on or after January 1, 2002 of a mare owned by a nonresident of this state and that is conceived outside of this state from transported semen of a stallion registered with the Michigan department of agriculture is eligible for Michigan tax-supported races only if, in the year that the foal is conceived, the Michigan department of

agriculture's agent for receiving funds as the holding agent for stakes and futurities is paid a transport fee as determined by the Michigan department of agriculture and administered by the Michigan harness horsemen's association.

(d) A sum to pay not more than 75% of an eligible cash premium paid by a fair or exposition. The commission of agriculture shall promulgate rules establishing which premiums are eligible for payment and a dollar limit for all eligible payments.

(e) A sum to pay breeders' awards in an amount not to exceed 10% of the gross purse to breeders of Michigan bred standardbred harness horses for each time the horse wins a race at a licensed race meeting or fair in this state. As used in this subdivision, "Michigan bred standardbred harness horse" means a horse from a mare owned by a resident or residents of this state at the time of conception, that was conceived after January 1, 1992, and sired by a standardbred stallion registered with the Michigan department of agriculture that was leased or owned by a resident or residents of this state and that did not serve a mare at a location outside of this state from February 1 through July 31 of the calendar year in which the conception occurred. To be eligible, each mare shall be registered with the Michigan department of agriculture. A foal that is born on or after January 1, 2002 of a mare owned by a nonresident of this state and that is conceived outside of this state from transported semen of a stallion registered with the Michigan department of agriculture is eligible for Michigan tax-supported races only if, in the year that the foal is conceived, the Michigan department of agriculture's agent for receiving funds as the holding agent for stakes and futurities is paid a transport fee as determined by the Michigan department of agriculture and administered by the Michigan harness horsemen's association.

(f) A sum not to exceed $4,000.00 each year to be allotted to fairs to provide training and stabling facilities for standardbred harness horses.

(g) A sum to be allotted to pay the presiding judges and clerks of the course at fairs. Presiding judges and clerks of the course shall be hired by the fair's administrative body with the advice and approval of the racing commissioner. The director of the department of agriculture may allot funds for a photo finish system and a mobile starting gate. The director of the department of agriculture shall allot funds for the conducting of tests, the collection and laboratory analysis of urine, saliva, blood, and other samples from horses, and the taking of blood alcohol tests on drivers, jockeys, and starting gate employees, for those races described in this subdivision. The department may require a driver, jockey, or starting gate employee to submit to a breathalyzer test, urine test, or other noninvasive fluid test to detect the presence of alcohol or a controlled substance. If the results of a test show that a person has more than .05% of alcohol in his or her blood, or has present in his or her body a controlled substance, the person shall not be permitted to continue in his or her duties on that race day and until he or she can produce, at his or her own expense, a negative test result.

(h) A sum to pay purse supplements to licensed pari-mutuel harness race meetings for special 4-year-old filly and colt horse races.

(i) A sum not to exceed 0.25% of all money wagered on live and simulcast horse races in Michigan shall be placed in a special standardbred sire stakes fund each year, 100% of which shall be used to provide purses for races run exclusively for 2-year-old and 3-year-old Michigan sired standardbred horses at licensed harness race meetings in this state. As used in this subdivision, "Michigan sired standardbred horses" means standardbred horses conceived after January 1, 1992 and sired by a standardbred stallion registered with the Michigan department of agriculture that was leased or owned by a resident or residents of this state and that did not serve a mare at a location outside of this state from February 1 through July 31 of the calendar year in which the conception occurred. A foal that is born on or after January 1, 2002 of a mare owned by a nonresident of this state and that is

conceived outside of this state from transported semen of a stallion registered with the Michigan department of agriculture is eligible for Michigan tax-supported races only if, in the year that the foal is conceived, the Michigan department of agriculture's agent for receiving funds as the holding agent for stakes and futurities is paid a transport fee as determined by the Michigan department of agriculture and administered by the Michigan harness horsemen's association.

(6) The following amounts shall be paid to thoroughbred programs:

(a) A sum to be allotted thoroughbred race meeting licensees to supplement the purses for races to be conducted exclusively for Michigan bred horses.

(b) A sum to pay awards to owners of Michigan bred horses that finish first, second, or third in races open to non-Michigan bred horses.

(c) A sum to pay breeders' awards in an amount not to exceed 10% of the gross purse to the breeders of Michigan bred thoroughbred horses for each time Michigan bred thoroughbred horses win at a licensed race meeting in this state.

(d) A sum to pay purse supplements to licensed thoroughbred race meetings for special 4-year-old and older filly and colt horse races.

(e) A sum not to exceed 0.25% of all money wagered on live and simulcast horse races in Michigan shall be placed in a special thoroughbred sire stakes fund each year, 100% of which shall be used to provide purses for races run exclusively for 2-year-old and 3-year-old and older Michigan sired thoroughbred horses at licensed thoroughbred race meetings in this state and awards for owners of Michigan sired horses or stallions. As used in this subdivision, "Michigan sired thoroughbred horses" means thoroughbred horses sired by a stallion registered with the department of agriculture that was leased or owned exclusively by a resident or residents of this state and that did not serve a mare at a location outside of this state during the calendar year in which the service occurred.

(f) A sum to be allotted sufficient to pay for the collection and laboratory analysis of urine, saliva, blood, and other samples from horses and licensed persons and for the conducting of tests described in section 16(4)(b).

(7) The following amounts shall be paid for quarter horse programs:

(a) A sum to supplement the purses for races to be conducted exclusively for Michigan bred quarter horses.

(b) A sum to pay not more than 75% of the purses for registered quarter horse races offered by fairs.

(c) A sum to pay breeders' awards in an amount not to exceed 10% of a gross purse to breeders of Michigan bred quarter horses for each time a Michigan bred quarter horse wins at a county fair or licensed race meeting in this state.

(d) A sum to pay for the collection and laboratory analysis of urine, saliva, blood, and other samples from horses and licensed persons and the taking of blood alcohol tests on jockeys for those races described in this subsection and for the conducting of tests described in section 16(4)(b).

(e) As used in this subsection, "Michigan bred quarter horse" means that term as defined in R 285.817.1 of the Michigan administrative code. Each mare and stallion shall be registered with the director of the department of agriculture.

(8) The following amounts shall be paid for Appaloosa programs:

(a) A sum to supplement the purses for races to be conducted exclusively for Michigan bred Appaloosa horses.

(b) A sum to pay not more than 75% of the purses for registered Appaloosa horse races offered by fairs.

(c) A sum to pay breeders' awards in an amount not to exceed 10% of the gross purse to the breeders of Michigan bred Appaloosa horses for each time Michigan bred horses win at a fair or licensed race meeting in this state.

(d) The department shall also allot sufficient funds from the revenue received from Appaloosa horse racing to pay for the collection and laboratory analysis of urine, saliva, blood, or other samples from horses and licensed persons and the taking of blood alcohol tests on jockeys for those races described in this subsection and for the conducting of tests described in section 16(4)(b).

(e) As used in this subsection, "Michigan bred Appaloosa horse" means that term as defined in R 285.819.1 of the Michigan administrative code. Each mare and stallion shall be registered with the director of the department of agriculture.

(9) The following amounts shall be paid for Arabian programs:

(a) A sum to supplement the purses for races to be conducted exclusively for Michigan bred Arabian horses.

(b) A sum to pay not more than 75% of the purses for registered Arabian horse races offered by fairs.

(c) A sum to pay breeders' awards in an amount not to exceed 10% of the gross purse to the breeders of Michigan bred Arabian horses for each time Michigan bred horses win at a fair or licensed racetrack in this state.

(d) A sum allotted from the revenue received from Arabian horse racing to pay for the collection and laboratory analysis of urine, saliva, blood, and other samples from horses and licensed persons and the taking of blood alcohol tests on jockeys for those races described in this subsection and for the conducting of tests described in section 16(4)(b).

(e) As used in this subsection, "Michigan bred Arabian horse" means a Michigan-bred horse as that term is defined in R 285.822.1(i) of the Michigan administrative code. Each mare and stallion shall be registered with the director of the department of agriculture.

(10) The following sums shall be paid for American paint horse programs:

(a) A sum to supplement the purses for races to be conducted exclusively for Michigan bred American paint horses.

(b) A sum to pay not more than 75% of the purses for registered American paint horse races offered by fairs.

(c) A sum to pay breeders' awards in an amount not to exceed 10% of the gross purse to the breeders of Michigan bred American paint horses for each time a Michigan bred American paint horse wins at a county fair or licensed race meeting in this state.

(d) A sum to pay for the collection and laboratory analysis of urine, saliva, blood, and other samples from horses and licensed persons and the taking of blood alcohol tests on jockeys for those races described in this subsection and for the conducting of tests described in section 16(4)(b).

(e) As used in this subsection, "Michigan bred American paint horse" means a Michigan-bred paint horse as that term is defined in R 285.823.1 of the Michigan administrative code.

(11) The following amounts shall be paid for the equine industry research, planning, and development grant fund program:

(a) A sum to fund grants for research projects conducted by persons affiliated with a university or governmental research agency or institution or other private research entity approved by the racing commissioner, which are beneficial to the horse racing and breeding industry in this state.

(b) A sum to fund the development, implementation, and administration of new programs that promote the proper growth and development of the horse racing and breeding industry in this state and other valuable equine-related commercial and recreational activities in this state.

(12) As used in subsection (11), "equine industry research" means the study, discovery and generation of accurate and reliable information, findings, conclusions, and recommendations that are useful or beneficial to the horse racing and breeding industry in this state through improvement of the health of horses; prevention of equine illness and disease, and performance-related accidents and injuries; improvement of breeding technique and racing performance; and compilation and study of valuable and reliable statistical data regarding the size, organization, and economics of the industry in this state; and strategic planning for the effective promotion, growth, and development of the industry in this state.

(13) Subject to subsection (17), money appropriated and allotted to the Michigan agriculture equine industry development fund shall not revert to the general fund and shall be carried forward from year to year until disbursed to fund grants for research projects beneficial to the industry.

(14) A percentage of the Michigan agriculture equine industry development fund that is equal to 1/100 of 1% of the gross wagers made each year in each of the racetracks licensed under this act shall be deposited in the compulsive gaming prevention fund created in section 3 of the compulsive gaming prevention act, 1997 PA 70, MCL 432.253.

(15) The director of the department of agriculture shall promulgate rules pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to implement this section. The rules promulgated under this subsection shall do all of the following:

(a) Prescribe the conditions under which the Michigan agriculture equine industry development fund and related programs described in subsections (1) to (13) shall be funded.

(b) Establish conditions and penalties regarding the programs described in subsections (5) to (12).

(c) Develop and maintain informational programs related to this section.

(16) Funds under the control of the department of agriculture in this section shall be disbursed under the rules promulgated pursuant to subsection (15). All funds under the control of the department of agriculture approved for purse supplements and breeders' awards shall be paid by the state treasurer not later than 45 days from the date of the race.

(17) Two million dollars shall be transferred from the Michigan agriculture equine industry development fund to the general fund in the fiscal year ending September 30, 2006.

This act is ordered to take immediate effect.
Approved June 16, 2006.
Filed with Secretary of State June 19, 2006.

[No. 186]

(SB 1184)

AN ACT to amend 1976 PA 451, entitled "An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws

relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, intermediate school districts, and other public school entities; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, intermediate school districts, and other public school entities; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts," (MCL 380.1 to 380.1852) by adding section 1752.

The People of the State of Michigan enact:

380.1752 Programs or services to child with disability; responsibility for due process hearing costs.

Sec. 1752. Beginning July 1, 2006, the board of a local school district or other public agency responsible for providing programs or services under this act to a child with a disability is responsible for 75% of the costs of providing a due process hearing pursuant to R 340.1882 of the Michigan administrative code.

This act is ordered to take immediate effect.
Approved June 16, 2006.
Filed with Secretary of State June 19, 2006.

[No. 187]

(HB 4460)

AN ACT to amend 1941 PA 207, entitled "An act to provide for the prevention of fires and the protection of persons and property from exposure to the dangers of fire or explosion; to authorize the investigation of fires and the discovery of crime or other offenses in relation thereto; to require the razing, repair, or alteration of buildings, and the clearing and improvement of premises which constitute a fire hazard or a menace to the peace, security, or safety of persons or property; to control the construction, use, and occupancy of those buildings and premises for fire safety purposes; to provide for the certification of fire inspectors and the delegation of certain powers to those certified fire inspectors; to provide for the regulation of the storage and transportation of hazardous material; to provide for the issuance of certificates; to prohibit the use of certain fire extinguishers and fire extinguishing agents; to provide immunity from liability for certain persons; to provide for the administration of this act and prescribe procedure for the enforcement of its provisions; to fix penalties for violation of this act; to provide for the promulgation of rules; to provide for the assessment of fees; and to repeal certain acts and parts of acts," by amending the title and section 19 (MCL 29.19), the title as amended by 1984 PA 314 and section 19 as amended by 1998 PA 45.

The People of the State of Michigan enact:

TITLE

An act to provide for the prevention of fires and the protection of persons and property from exposure to the dangers of fire or explosion; to authorize the investigation of fires and the discovery of crime or other offenses in relation thereto; to require the razing, repair, or alteration of buildings, and the clearing and improvement of premises which constitute a fire hazard or a menace to the peace, security, or safety of persons or property; to control the construction, use, and occupancy of buildings and premises in relation to safety, including fire safety; to provide for the certification of fire inspectors and the delegation of certain powers to those certified fire inspectors; to provide for the regulation of the storage and transportation of hazardous material; to provide for the issuance of certificates; to prohibit the use of certain fire extinguishers and fire extinguishing agents; to provide immunity from liability for certain persons; to provide for the administration of this act and prescribe procedure for the enforcement of its provisions; to fix penalties for violation of this act; to provide for the promulgation of rules; to provide for the assessment of fees; and to repeal acts and parts of acts.

29.19 Fire drills in schools, colleges, universities, and school dormitories; unrestricted emergency egress; compliance; record; minimum drills; weather conditions; tornado safety drills; location of drills; security measures; protective apparatus or equipment; development of model.

Sec. 19. (1) The chief administrative officer and the teachers of all schools, including state supported schools, colleges, and universities and the owner, or owner's representative, of all school dormitories shall have a fire drill each month and ensure unrestricted emergency egress during school hours and when the school is open to the public. Each teacher in a school, including a state supported school, college, or university and the owner or owner's representative of a dormitory shall comply with these requirements and keep a record of the drills.

(2) Except as provided in subsection (3), a minimum of 8 fire drills is required for each school year. If weather conditions do not permit fire drills to be held at least once a month, then at least 5 fire drills shall be held in the fall of each year and 3 fire drills shall be held during the remaining part of the school year.

(3) A minimum of 6 fire drills is required for each school year for a school that operates any of grades kindergarten to 12. Four of the fire drills shall be held in the fall and 2 shall be held during the remaining part of the school year.

(4) A minimum of 2 tornado safety drills is required for each school year at the schools and facilities described in subsection (1). These drills shall be conducted for the purpose of preventing fires and related hazards and injuries caused by severe weather.

(5) A minimum of 2 drills in which the occupants are restricted to the interior of the building and the building secured is required for each school year at a school that operates any of grades kindergarten to 12. A drill conducted under this subsection shall include security measures that are appropriate to an emergency such as the release of a hazardous material or the presence of an armed individual on or near the premises. The drill shall be conducted in coordination with the local emergency management coordinator appointed under section 9 of the emergency management act, 1976 PA 390, MCL 30.409, the county sheriff for the county or the chief of police or fire chief for the municipality where the school is located, or the designee of the sheriff, chief of police, or fire chief and consistently with applicable federal, state, and local emergency operations plans. The governing body of a school shall seek input from the administration of the school on the nature of the drills to be conducted under this subsection.