(4) For taxes levied before January 1, 2003, buildings on leased land of any classification are improvements where the owner of the improvement is not the owner of the land or fee, the value of the land is not assessed to the owner of the building, and the improvement has been assessed as personal property pursuant to section 14(6).

(5) If the total usage of a parcel includes more than 1 classification, the assessor shall determine the classification that most significantly influences the total valuation of the parcel.

(6) An owner of any assessable property who disputes the classification of that parcel shall notify the assessor and may protest the assigned classification to the March board of review. An owner or assessor may appeal the decision of the March board of review by filing a petition with the state tax commission not later than June 30 in that tax year. The state tax commission shall arbitrate the petition based on the written petition and the written recommendations of the assessor and the state tax commission staff. An appeal may not be taken from the decision of the state tax commission regarding classification complaint petitions and the state tax commission's determination is final and binding for the year of the petition.

(7) The department of treasury may appeal the classification of any assessable property to the residential and small claims division of the Michigan tax tribunal not later than December 31 in the tax year for which the classification is appealed.

(8) This section shall not be construed to encourage the assessment of property at other than the uniform percentage of true cash value prescribed by this act.

(9) The assessor of each city or township in which is located property that is subject to payment in lieu of taxes under subpart 14 of part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2152 to 324.2154, shall place that property on an assessment roll that is separate from the assessment roll prepared under section 24. For purposes of calculating the debt limitation imposed by section 11 of article VII of the state constitution of 1963, the separate assessment roll for property that is subject to payment in lieu of taxes under subpart 14 of part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2152 to 324.2154, required by this subsection shall be combined with the assessment roll prepared under section 24.

Legislative intent.

Enacting section 1. It is the intent of the legislature that this amendatory act shall not change the status of property subject to payment in lieu of taxes under subpart 14 of part 21 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.2152 to 324.2154, in regard to school operating mills levied under section 1211 of the revised school code, 1976 PA 451, MCL 380.1211.

This act is ordered to take immediate effect.
Approved January 4, 2007.
Filed with Secretary of State January 5, 2007.

[No. 647]

(HB 5704)

AN ACT to amend 1954 PA 116, entitled "An act to reorganize, consolidate, and add to the election laws; to provide for election officials and prescribe their powers and duties; to prescribe the powers and duties of certain state departments, state agencies, and state and local officials and employees; to provide for the nomination and election of candidates

for public office; to provide for the resignation, removal, and recall of certain public officers; to provide for the filling of vacancies in public office; to provide for and regulate primaries and elections; to provide for the purity of elections; to guard against the abuse of the elective franchise; to define violations of this act; to provide appropriations; to prescribe penalties and provide remedies; and to repeal certain acts and all other acts inconsistent with this act," by amending sections 312 and 646a (MCL 168.312 and 168.646a), section 312 as amended by 2005 PA 71 and section 646a as amended by 2004 PA 295.

The People of the State of Michigan enact:

168.312 Ballot question; submission; certification of ballot question language; scheduling of special election date.

Sec. 312. (1) A school board may submit a ballot question to the school electors on a regular election date, on a date when a city or township within the school district's jurisdiction is holding an election by adopting a resolution to that effect not less than 70 days before the election date, or on a special election date as provided in section 641(4). The school board shall certify the ballot question language to the school district election coordinator not less than 70 days before the election date. The school district election coordinator shall send a copy of the ballot question language to the county clerk of each county not less than 68 days before the election.

(2) If a special election is called on a date provided under section 641(4), the school district election coordinating committee shall schedule the special election date.

168.646a Election of local officers; nomination; certification; applicability of section.

Sec. 646a. (1) If a local officer is to be elected at a general November election, candidates for the local office shall be nominated in the manner provided by law or charter, subject to sections 641 and 642. If candidates for the local office are to be nominated at caucuses, the caucuses shall be held on a date before the date set for the primary election or on the Saturday before the day of the primary election as determined by the local legislative body at least 20 days before the date of the caucus. If candidates are nominated by filing petitions or affidavits, they shall be filed at a time provided by charter, but not later than the date of the primary. Except as provided in section 642, the local primary election shall be held on the same day as a state or county primary election. If a state or county primary is being held on the same day, the last day for local candidates to file nominating petitions is the same as the last date to file petitions for state and county offices. The names of all local candidates and titles of office shall be certified to the county clerk by the local clerk within 5 days after the last day for filing petitions, and certification of nominees shall be made to that clerk within 5 days after the date on which the primary or caucus was held.

(2) If a local, school district, or county ballot question is to be voted on at a regular election date or special election, the ballot wording of the ballot question shall be certified to the local or county clerk at least 70 days before the election. If the wording is certified to a clerk other than the county clerk, the clerk shall certify the ballot wording to the county clerk at least 68 days before the election. Petitions to place a county or local ballot question on the ballot at the election shall be filed with the clerk at least 14 days before the date the ballot wording must be certified to the local clerk.

(3) The provisions of this section apply notwithstanding any provisions of law or charter to the contrary, unless an earlier date for the filing of affidavits or petitions, including nominating petitions, is provided in a law or charter, in which case the earlier filing date is controlling.

Effective date.
Enacting section 1. This amendatory act takes effect May 14, 2007.

This act is ordered to take immediate effect.
Approved January 4, 2007.
Filed with Secretary of State January 5, 2007.

[No. 648]

(HB 4125)

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," by amending section 1211 (MCL 380.1211), as amended by 2006 PA 380.

The People of the State of Michigan enact:

380.1211 Mills levied for school operating purposes; limitation; reduction of mills from which homestead, qualified agricultural property, and qualified forest property are exempt; effect of insufficient mills allowed to be levied under subsection (1); additional mills; number of mills school district may levy after 1994; approval by school electors; excess tax revenue; shortfall; allocation under property tax limitation act; definitions.

Sec. 1211. (1) Except as otherwise provided in this section and section 1211c, the board of a school district shall levy not more than 18 mills for school operating purposes or the number of mills levied in 1993 for school operating purposes, whichever is less. A principal residence, qualified agricultural property, and qualified forest property are exempt from the mills levied under this subsection except for the number of mills by which that exemption is reduced under this subsection. The board of a school district that had a foundation allowance calculated under section 20 of the state school aid act of 1979, MCL 388.1620, for the 1994-95 state fiscal year of more than $6,500.00, may reduce the number of mills from which a principal residence, qualified agricultural property, and qualified forest property are exempted under this subsection by up to the number of mills, as certified under section 1211a, required to be levied on a principal residence, qualified agricultural property, and qualified forest property for the school district's combined state and local revenue per membership pupil for the school fiscal year ending in 1995 to be equal to the school district's foundation allowance for the state fiscal year ending in 1995, and the board also may levy in 1994 or a succeeding year that number of mills for school operating purposes on a principal residence, qualified agricultural property, and qualified forest property.

(2) Subject to subsection (3), if the department of treasury determines that the maximum number of mills allowed to be levied under subsection (1) on all classes of property was not sufficient for a school district's combined state and local revenue per membership pupil for the school fiscal year ending in 1995 to be equal to the school district's foundation allowance for that school fiscal year, the board of the school district may levy in 1994 or a succeeding year additional mills uniformly on all property up to the number of mills required for the school district's combined state and local revenue per membership pupil for the school fiscal year ending in 1995 to be equal to the school district's foundation allowance for the state fiscal year ending in 1995. However, the board of a school district described in this subsection, by board resolution, may elect to exempt each principal residence and all qualified agricultural property and qualified forest property located in the school district from some or all of the mills that the board is authorized to levy under this subsection.

(3) After 1994, the number of mills a school district may levy under this section on any class of property shall not exceed the lesser of the number of mills the school district was certified by the department of treasury under section 1211a to levy on that class of property under this section in 1994 or the number of mills required to be levied on that class of property under this section to ensure that the increase from the immediately preceding state fiscal year in the school district's combined state and local revenue per membership pupil, calculated as if the school district had levied the maximum number of mills the school district was allowed to levy under this section regardless of the number of mills the school district actually levied, does not exceed the lesser of the dollar amount of the increase in the basic foundation allowance under section 20 of the state school aid act of 1979, MCL 388.1620, from the immediately preceding state fiscal year or the percentage increase in the general price level in the immediately preceding calendar year. If the number of mills a school district is allowed to levy under this section in a year after 1994 is less than the number of mills the school district was allowed to levy under this section in the immediately preceding year, any reduction required by this subsection in the school district's millage rate shall be calculated by first reducing the number of mills the school district is allowed to levy under subsection (2) and then increasing the number of mills from which a principal residence, qualified agricultural property, and qualified forest property are exempted under subsection (1).

(4) Millage levied under this section must be approved by the school electors. For the purposes of this section, millage approved by the school electors before January 1, 1994 for which the authorization has not expired is considered to be approved by the school electors.

(5) If a school district levies millage for school operating purposes that is in excess of the limits of this section, the amount of the resulting excess tax revenue shall be deducted from the school district's next regular tax levy.

(6) If a school district levies millage for school operating purposes that is less than the limits of this section, the board of the school district may levy at the school district's next regular tax levy an additional number of mills not to exceed the additional millage needed to make up the shortfall.

(7) A school district shall not levy mills allocated under the property tax limitation act, 1933 PA 62, MCL 211.201 to 211.217a, other than mills allocated to a school district of the first class for payment to a public library commission under section 11(4) of the property tax limitation act, 1933 PA 62, MCL 211.211, after 1993.

(8) As used in this section:

(a) "Combined state and local revenue per membership pupil" means that term as defined in section 20 of the state school aid act of 1979, MCL 388.1620.

(b) "Foundation allowance" means a school district's foundation allowance as calculated under section 20 of the state school aid act of 1979, MCL 388.1620.

(c) "General price level" means that term as defined in section 33 of article IX of the state constitution of 1963.

(d) "Membership" means that term as defined in section 6 of the state school aid act of 1979, MCL 388.1606.

(e) "Owner", "person", "principal residence", and "qualified agricultural property" mean those terms as defined in section 7dd of the general property tax act, 1893 PA 206, MCL 211.7dd.

(f) "Qualified forest property" means that term as defined in section 7jj of the general property tax act, 1893 PA 206, MCL 211.7jj[1].

(g) "School operating purposes" includes expenditures for furniture and equipment, for alterations necessary to maintain school facilities in a safe and sanitary condition, for funding the cost of energy conservation improvements in school facilities, for deficiencies in operating expenses for the preceding year, and for paying the operating allowance due from the school district to a joint high school district in which the school district is a participating school district under former part 3a. Taxes levied for school operating purposes do not include any of the following:

(*i*) Taxes levied by a school district for operating a community college under part 25.

(*ii*) Taxes levied under section 1212.

(*iii*) Taxes levied under section 1356 for eliminating an operating deficit.

(*iv*) Taxes levied for operation of a library under section 1451 or for operation of a library established pursuant to 1913 PA 261, MCL 397.261 to 397.262, that were not included in the operating millage reported by the district to the department as of April 1, 1993. However, a district may report to the department not later than April 1, 1994 the number of mills it levied in 1993 for a purpose described in this subparagraph that the school district does not want considered as operating millage and then that number of mills is excluded under this section from taxes levied for school operating purposes.

(*v*) Taxes paid by a school district of the first class to a public library commission pursuant to section 11(4) of the property tax limitation act, 1933 PA 62, MCL 211.211.

(*vi*) Taxes levied under former section 1512 for operation of a community swimming pool. In addition, if a school district included the millage it levied in 1993 for operation of a community swimming pool as part of its operating millage reported to the department for 1993, the school district may report to the department not later than June 17, 1994 the number of mills it levied in 1993 for operation of a community swimming pool that the school district does not want considered as operating millage and then that number of mills is excluded under this section from taxes levied for school operating purposes.

This act is ordered to take immediate effect.
Approved January 4, 2007.
Filed with Secretary of State January 5, 2007.

[No. 649]

(HB 4357)

AN ACT to amend 2004 PA 438, entitled "An act to designate Police Officers Memorial Day in the state of Michigan," by amending the title and sections 1 and 2 (MCL 435.351 and 435.352).

The People of the State of Michigan enact:

TITLE

An act to designate May 15 of each year as Police Officers Memorial Day in the state of Michigan; and to designate May 4 of each year as Firefighters Memorial Day in the state of Michigan.

435.351 Police Officers Memorial Day; Firefighters Memorial Day.

Sec. 1. (1) In recognition of the men and women who have lost their lives in the line of duty while serving as law enforcement officers in the state of Michigan, May 15 of each year shall be known as "Police Officers Memorial Day".

(2) In recognition of the men and women who have lost their lives while serving as firefighters in the state of Michigan, May 4 of each year shall be known as "Firefighters Memorial Day".

435.352 Flags at public buildings; memorial ceremony.

Sec. 2. On these days, all flags at public buildings shall be lowered to half staff in honor and appreciation of fallen law enforcement officers and firefighters. Each community throughout the state is encouraged to conduct a memorial ceremony, and the state's citizens are encouraged to pause and reflect on the dedicated professionals who bravely chose to accept personal risk and made the ultimate sacrifice while protecting and defending the public.

This act is ordered to take immediate effect.
Approved January 4, 2007.
Filed with Secretary of State January 5, 2007.

[No. 650]

(HB 4889)

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 733 (MCL 257.733), as amended by 2004 PA 62.

The People of the State of Michigan enact:

257.733 Release of accident information to nongovernmental agency; exception.

Sec. 733. (1) The department shall not release information relating to an accident on the record of a driver to a nongovernmental agency unless the driver was subsequently convicted of or determined responsible for a violation of this act in connection with the accident.

(2) Except as otherwise provided in subsection (4), the department shall not release information relating to an accident on the record of any of the following to a nongovernmental agency if the accident occurred while the person was operating the vehicle during the course of his or her employment:

(a) A police officer.

(b) A firefighter.

(c) An employee of the state transportation department, a county road commission, or a local authority having jurisdiction over a highway who is authorized to operate a motor vehicle or equipment while working within the highway right-of-way.

(d) A person authorized to operate an ambulance or other emergency vehicle.

(3) The department shall not release information received under section 732(5) concerning a plea to and the discharge and dismissal of a violation of section 703 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1703, or a local ordinance substantially corresponding to section 703 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1703, except as provided in section 703(3) of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.1703.

(4) Subsection (2) does not apply to a person described in subsection (2) who was convicted of a crime under this act in connection with the accident.

Effective date.

Enacting section 1. This amendatory act takes effect October 1, 2010.

This act is ordered to take immediate effect.
Approved January 4, 2007.
Filed with Secretary of State January 5, 2007.

[No. 651]

(HB 5257)

AN ACT to amend 1846 RS 16, entitled "Of the powers and duties of townships, the election and duties of township officers, and the division of townships," by amending section 78 (MCL 41.78), as amended by 1989 PA 77.

The People of the State of Michigan enact:

41.78 Account of receipts and expenditures; book or electronic means; delivery to successor in office; availability of documents to public.

Sec. 78. (1) At the expense of the township, each township treasurer shall keep an accurate account of the receipts and expenditures of township money in a book or by electronic

means which meets the uniform accounting requirements of the state treasurer. The account shall reflect the amount of money belonging to each of the several funds of the township and shall be delivered in a timely manner to the township treasurer's successor in office.

(2) Any document prepared, owned, used, in the possession of, or retained by the township treasurer in the performance of an official function shall be available to the public in compliance with the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

This act is ordered to take immediate effect.
Approved January 4, 2007.
Filed with Secretary of State January 5, 2007.

[No. 652]

(HB 5553)

AN ACT to amend 1988 PA 57, entitled "An act to provide for the incorporation by 2 or more municipalities of certain authorities for the purpose of providing emergency services to municipalities; to provide for the powers and duties of authorities and of certain state and local agencies and officers; to guarantee certain labor contracts and employment rights in regard to the formation and reorganization of authorities; to provide for certain condemnation proceedings; to provide for the levy of property taxes for certain purposes; and to prescribe penalties and provide remedies," by amending the title and sections 5 and 9 (MCL 124.605 and 124.609), the title as amended by 1999 PA 167.

The People of the State of Michigan enact:

TITLE

An act to provide for the incorporation by 2 or more municipalities of certain authorities for the purpose of providing emergency services to municipalities; to provide for the powers and duties of authorities and of certain state and local agencies and officers; to guarantee certain labor contracts and employment rights in regard to the formation and reorganization of authorities; to provide for certain condemnation proceedings; to provide for fees; to provide for the levy of property taxes for certain purposes; and to prescribe penalties and provide remedies.

124.605 Contents of articles of incorporation.

Sec. 5. Subject to the laws of this state, an authority's articles of incorporation shall state the name of the authority; the names of the incorporating municipalities; the purpose or purposes for which the authority is created; the powers, duties, and limitations of the authority and its officers, including ordinances necessary to support the authority as allowed under section 9(b); the method of selecting its governing body, officers, and employees; and the person or persons who are charged with the responsibility of causing the articles of incorporation to be published and printed copies to be certified and filed as provided in section 2 or who are charged with any other responsibility in connection with the incorporation of the authority.

124.609 Additional powers of authority.

Sec. 9. An authority, in addition to its other powers and duties, may do all of the following:

(a) Adopt bylaws and rules of administration to accomplish the purposes of this act.

(b) Adopt ordinances that allow the authority to assess fees on owners or occupants of property who receive emergency services to cover the costs of providing emergency services under this act. An ordinance adopted under this subdivision shall be rescinded if, within 60 days from the date the ordinance is adopted, 1/3 or more of the municipalities affected by the ordinance vote to rescind the ordinance.

(c) Apply for and accept grants, loans, or contributions from the federal government or any of its agencies, the state, or other public or private agencies to be used for any of the purposes of this act and to do any and all things within its express or implied powers necessary or desirable to secure that financial or other aid or cooperation in the carrying out of any of the purposes of this act.

(d) Enter into any contracts with other entities not prohibited by law.

(e) Investigate emergency services requirements, needs, and programs and engage, by contract, consultants as may be necessary and cooperate with the federal government, state, political subdivisions, and other authorities in those investigations.

(f) Subject to section 10, hire employees, attorneys, accountants, and consultants as the authority considers necessary to carry out the purposes of the authority.

This act is ordered to take immediate effect.
Approved January 4, 2007.
Filed with Secretary of State January 5, 2007.

[No. 653]

(HB 4455)

AN ACT to amend 1978 PA 368, entitled "An act to protect and promote the public health; to codify, revise, consolidate, classify, and add to the laws relating to public health; to provide for the prevention and control of diseases and disabilities; to provide for the classification, administration, regulation, financing, and maintenance of personal, environmental, and other health services and activities; to create or continue, and prescribe the powers and duties of, departments, boards, commissions, councils, committees, task forces, and other agencies; to prescribe the powers and duties of governmental entities and officials; to regulate occupations, facilities, and agencies affecting the public health; to regulate health maintenance organizations and certain third party administrators and insurers; to provide for the imposition of a regulatory fee; to provide for the levy of taxes against certain health facilities or agencies; to promote the efficient and economical delivery of health care services, to provide for the appropriate utilization of health care facilities and services, and to provide for the closure of hospitals or consolidation of hospitals or services; to provide for the collection and use of data and information; to provide for the transfer of property; to provide certain immunity from liability; to regulate and prohibit the sale and offering for sale of drug paraphernalia under certain circumstances; to provide for the implementation of federal law; to provide for penalties and remedies; to provide for sanctions for violations of this act and local ordinances; to provide for an appropriation and supplements; to repeal certain acts and parts of acts; to repeal certain parts of this act; and to repeal certain parts of this act on specific dates," (MCL 333.1101 to 333.25211) by adding section 2227.

The People of the State of Michigan enact:

333.2227 Racial and ethnic health disparities; duties of department.

Sec. 2227. The department shall do all of the following:

(a) Develop and implement a structure to address racial and ethnic health disparities in this state.

(b) Monitor minority health progress.

(c) Establish minority health policy.

(d) Develop and implement an effective statewide strategic plan for the reduction of racial and ethnic health disparities.

(e) Utilize federal, state, and private resources, as available and within the limits of appropriations, to fund minority health programs, research, and other initiatives.

(f) Provide the following through interdepartmental coordination:

(*i*) Data and technical assistance to minority health coalitions and any other local entities addressing the elimination of racial and ethnic health disparities.

(*ii*) Measurable objectives to minority health coalitions and any other local health entities for the development of interventions that address the elimination of racial and ethnic health disparities.

(g) Establish a web page on the department's website, in coordination with the state health disparities reduction and minority health section, that provides information or links to all of the following:

(*i*) Research within minority populations.

(*ii*) A resource directory that can be distributed to local organizations interested in minority health.

(*iii*) Racial and ethnic specific data including, but not limited to, morbidity and mortality.

(h) Develop and implement recruitment and retention strategies to increase the number of minorities in the health and social services professions.

(i) Develop and implement awareness strategies targeted at health and social service providers in an effort to eliminate the occurrence of racial and ethnic health disparities.

(j) Identify and assist in the implementation of culturally and linguistically appropriate health promotion and disease prevention programs that would emphasize prevention and incorporate an accessible, affordable, and acceptable early detection and intervention component.

(k) Promote the development and networking of minority health coalitions.

(*l*) Appoint a department liaison to provide the following services to local minority health coalitions:

(*i*) Assist in the development of local prevention and intervention plans.

(*ii*) Relay the concerns of local minority health coalitions to the department.

(*iii*) Assist in coordinating minority input on state health policies and programs.

(*iv*) Serve as the link between the department and local efforts to eliminate racial and ethnic health disparities.

(m) Provide funding, within the limits of appropriations, to support evidence-based preventative health, education, and treatment programs that include outcome measures and evaluation plans in minority communities.

(n) Provide technical assistance to local communities to obtain funding for the development and implementation of a health care delivery system to meet the needs, gaps, and barriers identified in the statewide strategic plan for eliminating racial and ethnic health disparities.

(o) One year after the effective date of this section and each year thereafter, submit a written report on the status, impact, and effectiveness of the amendatory act that added this section to the standing committees in the senate and house of representatives with jurisdiction over issues pertaining to public health, the senate and house of representatives appropriations subcommittees on community health, and the senate and house fiscal agencies.

This act is ordered to take immediate effect.
Approved January 8, 2007.
Filed with Secretary of State January 9, 2007.

[No. 654]

(HB 4931)

AN ACT to amend 1927 PA 175, entitled "An act to revise, consolidate, and codify the laws relating to criminal procedure and to define the jurisdiction, powers, and duties of courts, judges, and other officers of the court under the provisions of this act; to provide laws relative to the rights of persons accused of criminal offenses and ordinance violations; to provide for the arrest of persons charged with or suspected of criminal offenses and ordinance violations; to provide for bail of persons arrested for or accused of criminal offenses and ordinance violations; to provide for the examination of persons accused of criminal offenses; to regulate the procedure relative to grand juries, indictments, informations, and proceedings before trial; to provide for trials of persons complained of or indicted for criminal offenses and ordinance violations and to provide for the procedure in those trials; to provide for judgments and sentences of persons convicted of criminal offenses and ordinance violations; to establish a sentencing commission and to prescribe its powers and duties; to provide for procedure relating to new trials and appeals in criminal and ordinance violation cases; to provide a uniform system of probation throughout this state and the appointment of probation officers; to prescribe the powers, duties, and compensation of probation officers; to provide penalties for the violation of the duties of probation officers; to provide for procedure governing proceedings to prevent crime and proceedings for the discovery of crime; to provide for fees of officers, witnesses, and others in criminal and ordinance violation cases; to set forth miscellaneous provisions as to criminal procedure in certain cases; to provide penalties for the violation of certain provisions of this act; and to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act," by amending section 13p of chapter XVII (MCL 777.13p), as amended by 2005 PA 279.

The People of the State of Michigan enact:

CHAPTER XVII

777.13p Applicability of chapter to certain felonies; MCL 338.823 to 388.1937.

Sec. 13p. This chapter applies to the following felonies enumerated in chapters 338 to 399 of the Michigan Compiled Laws:

M.C.L.	Category	Class	Description	Stat Max
338.823	Pub trst	F	Private detective license act violation	4

338.1053	Pub trst	F	Private security business and security alarm act violation	4
338.3434a(2)	Pub trst	F	Unauthorized disclosure of a social security number — subsequent offense	4
338.3471(1)(b)	Pub trst	G	Michigan immigration clerical assistant act violation — subsequent offense	2
339.601(6)(b)	Pub ord	G	Engaging or attempting to engage in occupation of residential builder or residential maintenance and alteration contractor without license — second offense	2
339.601(6)(c)	Pub ord	F	Engaging or attempting to engage in occupation of residential builder or residential maintenance and alteration contractor without license — third or subsequent offense	4
339.735	Pub trst	E	Unauthorized practice of public accounting	5
380.1230d(3)(a)	Pub saf	G	Failure by school employee to report charge or conviction	2
380.1816	Pub trst	F	Improper use of bond proceeds	4
388.936	Pub trst	F	Knowingly making false statement — school district loans	4
388.1937	Pub trst	F	Making false statement or concealing material information to obtain qualification of school bond issue or improperly using proceeds of school bonds	4

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 632 of the 93rd Legislature is enacted into law.

This act is ordered to take immediate effect.

Approved January 8, 2007.

Filed with Secretary of State January 9, 2007.

Compiler's note: Enrolled Senate Bill No. 632, referred to in enacting section 1, was not signed by the governor, and, having been presented to the governor on December 22, 2006, not returned to the legislature within the 14 days prescribed by Const 1963, art IV, sec 33, and not filed with the Secretary of State prior to final adjournment 2006 sine die, this bill was vetoed.

This act, which was effective upon the condition of Enrolled Senate Bill No. 632 being enacted into law was, therefore, ineffective and not compiled.

[No. 655]

(HB 5135)

AN ACT to amend 1927 PA 175, entitled "An act to revise, consolidate, and codify the laws relating to criminal procedure and to define the jurisdiction, powers, and duties of

courts, judges, and other officers of the court under the provisions of this act; to provide laws relative to the rights of persons accused of criminal offenses and ordinance violations; to provide for the arrest of persons charged with or suspected of criminal offenses and ordinance violations; to provide for bail of persons arrested for or accused of criminal offenses and ordinance violations; to provide for the examination of persons accused of criminal offenses; to regulate the procedure relative to grand juries, indictments, informations, and proceedings before trial; to provide for trials of persons complained of or indicted for criminal offenses and ordinance violations and to provide for the procedure in those trials; to provide for judgments and sentences of persons convicted of criminal offenses and ordinance violations; to establish a sentencing commission and to prescribe its powers and duties; to provide for procedure relating to new trials and appeals in criminal and ordinance violation cases; to provide a uniform system of probation throughout this state and the appointment of probation officers; to prescribe the powers, duties, and compensation of probation officers; to provide penalties for the violation of the duties of probation officers; to provide for procedure governing proceedings to prevent crime and proceedings for the discovery of crime; to provide for fees of officers, witnesses, and others in criminal and ordinance violation cases; to set forth miscellaneous provisions as to criminal procedure in certain cases; to provide penalties for the violation of certain provisions of this act; and to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act," by amending section 37a of chapter VII, sections 12, 13, and 20a of chapter VIII, sections 1k, 10, 11, 12, and 13 of chapter IX, section 3 of chapter XI, and sections 13j, 16y, 16z, 21, 51, 52, 53, and 54 of chapter XVII (MCL 767.37a, 768.12, 768.13, 768.20a, 769.1k, 769.10, 769.11, 769.12, 769.13, 771.3, 777.13j, 777.16y, 777.16z, 777.21, 777.51, 777.52, 777.53, and 777.54), section 37a of chapter VII as added by 1994 PA 229, section 20a of chapter VIII as amended by 1983 PA 42, section 1k of chapter IX as added by 2005 PA 316, sections 10, 11, and 12 of chapter IX as amended and sections 51, 52, and 53 of chapter XVII as added by 1998 PA 317, section 13 of chapter IX as amended by 1994 PA 110, section 3 of chapter XI as amended by 2004 PA 330, section 13j of chapter XVII as added by 2002 PA 30, section 16y of chapter XVII as amended by 2006 PA 166, section 16z of chapter XVII as amended by 2006 PA 62, and sections 21 and 54 of chapter XVII as amended by 2000 PA 279; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

CHAPTER VII

767.37a Arraignments; use of 2-way interactive video technology; access to courtroom; court record.

Sec. 37a. (1) A judge or district court magistrate may conduct initial criminal arraignments and set bail by 2-way interactive video technology communication between a court facility and a prison, jail, or other place where a person is imprisoned or detained. A judge or district court magistrate may conduct initial criminal arraignments and set bail on weekends, holidays, or at any time as determined by the court.

(2) A 2-way interactive video technology system used under this section shall enable the accused and the judge or district court magistrate to see, hear, and communicate with each other simultaneously, and shall enable defense counsel and the prosecuting attorney, if present, to be heard by and to communicate simultaneously with the accused, the judge or district court magistrate, and opposing counsel.

(3) Except as otherwise provided by law, the public shall have access to the courtroom or other location, that allows them to view and hear the proceedings.

(4) If proceedings conducted under this section are not recorded by an individual certified by the state court administrative office, the court shall record and maintain an original

audiovisual recording of the entire proceedings. A recording made under this subsection shall become part of the court record.

(5) This act does not prohibit the use of 2-way interactive video technology for arraignments on the information, criminal pretrial hearings, criminal pleas, sentencing hearings for misdemeanor violations cognizable in the district court, show cause hearings, or other criminal proceedings, to the extent the Michigan supreme court has authorized that use.

CHAPTER VIII

768.12 Peremptory challenge; offense not punishable by death or life imprisonment; number.

Sec. 12. (1) A person who is put on trial for an offense that is not punishable by death or life imprisonment shall be allowed to challenge peremptorily 5 of the persons drawn to serve as jurors. In a case involving 2 or more defendants who are being jointly tried for an offense that is not punishable by death or life imprisonment, each of the defendants shall be allowed to challenge peremptorily 5 persons returned as jurors. The prosecuting officers on behalf of the people shall be allowed to challenge 5 jurors peremptorily if a defendant is being tried alone or, if defendants are tried jointly, shall be allowed the total number of peremptory challenges to which all the defendants are entitled.

(2) On motion and a showing of good cause, the court may grant 1 or more of the parties an increased number of peremptory challenges. The number of additional peremptory challenges the court grants may cause the various parties to have unequal numbers of peremptory challenges.

768.13 Peremptory challenge; offense punishable by death or life imprisonment; number.

Sec. 13. (1) A person who is being tried alone for an offense punishable by death or imprisonment for life, shall be allowed to challenge peremptorily 12 of the persons drawn to serve as jurors. In a case punishable by death or imprisonment for life that involves 2 or more defendants, a defendant shall be allowed the following number of peremptory challenges:

(a) Two defendants - 10 each.

(b) Three defendants - 9 each.

(c) Four defendants - 8 each.

(d) Five or more defendants - 7 each.

(2) In a case punishable by death or imprisonment for life, the prosecuting officers on behalf of the people shall be allowed to challenge peremptorily 12 jurors if a defendant is being tried alone or, if defendants are tried jointly, shall be allowed the total number of peremptory challenges to which all the defendants are entitled.

(3) On motion and a showing of good cause, the court may grant 1 or more of the parties an increased number of peremptory challenges. The number of additional peremptory challenges the court grants may cause the various parties to have unequal numbers of peremptory challenges.

768.20a Insanity as defense in felony case; notice of intention to assert defense; examination; independent psychiatric evaluation; cooperation required; admissibility of statements; report; notice of rebuttal; admissibility of reports; "qualified personnel" defined.

Sec. 20a. (1) If a defendant in a felony case proposes to offer in his or her defense testimony to establish his or her insanity at the time of an alleged offense, the defendant shall

file and serve upon the court and the prosecuting attorney a notice in writing of his or her intention to assert the defense of insanity not less than 30 days before the date set for the trial of the case, or at such other time as the court directs.

(2) Upon receipt of a notice of an intention to assert the defense of insanity, a court shall order the defendant to undergo an examination relating to his or her claim of insanity by personnel of the center for forensic psychiatry or by other qualified personnel, as applicable, for a period not to exceed 60 days from the date of the order. When the defendant is to be held in jail pending trial, the center or the other qualified personnel may perform the examination in the jail, or may notify the sheriff to transport the defendant to the center or facility used by the qualified personnel for the examination, and the sheriff shall return the defendant to the jail upon completion of the examination. When the defendant is at liberty pending trial, on bail or otherwise, the defendant shall make himself or herself available for the examination at the place and time established by the center or the other qualified personnel. If the defendant, after being notified of the place and time of the examination, fails to make himself or herself available for the examination, the court may, without a hearing, order his or her commitment to the center.

(3) The defendant may, at his or her own expense, secure an independent psychiatric evaluation by a clinician of his or her choice on the issue of his or her insanity at the time the alleged offense was committed. If the defendant is indigent, the court may, upon showing of good cause, order that the county pay for an independent psychiatric evaluation. The defendant shall notify the prosecuting attorney at least 5 days before the day scheduled for the independent evaluation that he or she intends to secure such an evaluation. The prosecuting attorney may similarly obtain independent psychiatric evaluation. A clinician secured by an indigent defendant is entitled to receive a reasonable fee as approved by the court.

(4) The defendant shall fully cooperate in his or her examination by personnel of the center for forensic psychiatry or by other qualified personnel, and by any other independent examiners for the defense and prosecution. If he or she fails to cooperate, and that failure is established to the satisfaction of the court at a hearing prior to trial, the defendant shall be barred from presenting testimony relating to his or her insanity at the trial of the case.

(5) Statements made by the defendant to personnel of the center for forensic psychiatry, to other qualified personnel, or to any independent examiner during an examination shall not be admissible or have probative value in court at the trial of the case on any issues other than his or her mental illness or insanity at the time of the alleged offense.

(6) Upon conclusion of the examination, the center for forensic psychiatry or the other qualified personnel, and any independent examiner, shall prepare a written report and shall submit the report to the prosecuting attorney and defense counsel. The report shall contain:

(a) The clinical findings of the center, the qualified personnel, or any independent examiner.

(b) The facts, in reasonable detail, upon which the findings were based.

(c) The opinion of the center or qualified personnel, and the independent examiner on the issue of the defendant's insanity at the time the alleged offense was committed and whether the defendant was mentally ill or mentally retarded at the time the alleged offense was committed.

(7) Within 10 days after the receipt of the report from the center for forensic psychiatry or from the qualified personnel, or within 10 days after the receipt of the report of an independent examiner secured by the prosecution, whichever occurs later, but not later than

5 days before the trial of the case, or at another time the court directs, the prosecuting attorney shall file and serve upon the defendant a notice of rebuttal of the defense of insanity which shall contain the names of the witnesses whom the prosecuting attorney proposes to call in rebuttal.

(8) The report of the center for forensic psychiatry, the qualified personnel, or any independent examiner may be admissible in evidence upon the stipulation of the prosecution and defense.

(9) As used in this section, "qualified personnel" means personnel meeting standards determined by the department of community health under rules promulgated pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

CHAPTER IX

769.1k Imposition of fine, cost, or assessment.

Sec. 1k. (1) If a defendant enters a plea of guilty or nolo contendere or if the court determines after a hearing or trial that the defendant is guilty, both of the following apply at the time of the sentencing or at the time entry of judgment of guilt is deferred pursuant to statute or sentencing is delayed pursuant to statute:

(a) The court shall impose the minimum state costs as set forth in section 1j of this chapter.

(b) The court may impose any or all of the following:

(*i*) Any fine.

(*ii*) Any cost in addition to the minimum state cost set forth in subdivision (a).

(*iii*) The expenses of providing legal assistance to the defendant.

(*iv*) Any assessment authorized by law.

(*v*) Reimbursement under section 1f of this chapter.

(2) In addition to any fine, cost, or assessment imposed under subsection (1), the court may order the defendant to pay any additional costs incurred in compelling the defendant's appearance.

(3) Subsections (1) and (2) apply even if the defendant is placed on probation, probation is revoked, or the defendant is discharged from probation.

(4) The court may require the defendant to pay any fine, cost, or assessment ordered to be paid under this section by wage assignment.

(5) The court may provide for the amounts imposed under this section to be collected at any time.

(6) Except as otherwise provided by law, the court may apply payments received on behalf of a defendant that exceed the total of any fine, cost, fee, or other assessment imposed in the case to any fine, cost, fee, or assessment that the same defendant owes in any other case.

769.10 Punishment for subsequent felony; sentence imposed for term of years considered indeterminate sentence; use of conviction to enhance sentence prohibited.

Sec. 10. (1) If a person has been convicted of a felony or an attempt to commit a felony, whether the conviction occurred in this state or would have been for a felony or attempt to commit a felony in this state if obtained in this state, and that person commits a subsequent

felony within this state, the person shall be punished upon conviction of the subsequent felony and sentencing under section 13 of this chapter as follows:

(a) If the subsequent felony is punishable upon a first conviction by imprisonment for a term less than life, the court, except as otherwise provided in this section or section 1 of chapter XI, may place the person on probation or sentence the person to imprisonment for a maximum term that is not more than 1-1/2 times the longest term prescribed for a first conviction of that offense or for a lesser term.

(b) If the subsequent felony is punishable upon a first conviction by imprisonment for life, the court, except as otherwise provided in this section or section 1 of chapter XI, may place the person on probation or sentence the person to imprisonment for life or for a lesser term.

(c) If the subsequent felony is a major controlled substance offense, the person shall be punished as provided by part 74 of the public health code, 1978 PA 368, MCL 333.7401 to 333.7461.

(2) If the court pursuant to this section imposes a sentence of imprisonment for any term of years, the court shall fix the length of both the minimum and maximum sentence within any specified limits in terms of years or a fraction of a year and the sentence so imposed shall be considered an indeterminate sentence. The court shall not fix a maximum sentence that is less than the maximum term for a first conviction.

(3) A conviction shall not be used to enhance a sentence under this section if that conviction is used to enhance a sentence under a statute that prohibits use of the conviction for further enhancement under this section.

769.11 Punishment for subsequent felony following conviction of 2 or more felonies; sentence for term of years considered indeterminate sentence; use of conviction to enhance sentence prohibited.

Sec. 11. (1) If a person has been convicted of any combination of 2 or more felonies or attempts to commit felonies, whether the convictions occurred in this state or would have been for felonies or attempts to commit felonies in this state if obtained in this state, and that person commits a subsequent felony within this state, the person shall be punished upon conviction of the subsequent felony and sentencing under section 13 of this chapter as follows:

(a) If the subsequent felony is punishable upon a first conviction by imprisonment for a term less than life, the court, except as otherwise provided in this section or section 1 of chapter XI, may sentence the person to imprisonment for a maximum term that is not more than twice the longest term prescribed by law for a first conviction of that offense or for a lesser term.

(b) If the subsequent felony is punishable upon a first conviction by imprisonment for life, the court, except as otherwise provided in this section or section 1 of chapter XI, may sentence the person to imprisonment for life or for a lesser term.

(c) If the subsequent felony is a major controlled substance offense, the person shall be punished as provided by part 74 of the public health code, 1978 PA 368, MCL 333.7401 to 333.7461.

(2) If the court pursuant to this section imposes a sentence of imprisonment for any term of years, the court shall fix the length of both the minimum and maximum sentence within any specified limits in terms of years or a fraction of a year, and the sentence so imposed shall be considered an indeterminate sentence. The court shall not fix a maximum sentence that is less than the maximum term for a first conviction.

(3) A conviction shall not be used to enhance a sentence under this section if that conviction is used to enhance a sentence under a statute that prohibits use of the conviction for further enhancement under this section.

769.12 Punishment for subsequent felony following conviction of 3 or more felonies; sentence for term of years considered indeterminate sentence; use of conviction to enhance sentence prohibited; eligibility for parole; provisions not in derogation of consecutive sentence; "prisoner subject to disciplinary time" defined.

Sec. 12. (1) If a person has been convicted of any combination of 3 or more felonies or attempts to commit felonies, whether the convictions occurred in this state or would have been for felonies or attempts to commit felonies in this state if obtained in this state, and that person commits a subsequent felony within this state, the person shall be punished upon conviction of the subsequent felony and sentencing under section 13 of this chapter as follows:

(a) If the subsequent felony is punishable upon a first conviction by imprisonment for a maximum term of 5 years or more or for life, the court, except as otherwise provided in this section or section 1 of chapter XI, may sentence the person to imprisonment for life or for a lesser term.

(b) If the subsequent felony is punishable upon a first conviction by imprisonment for a maximum term that is less than 5 years, the court, except as otherwise provided in this section or section 1 of chapter XI, may sentence the person to imprisonment for a maximum term of not more than 15 years.

(c) If the subsequent felony is a major controlled substance offense, the person shall be punished as provided by part 74 of the public health code, 1978 PA 368, MCL 333.7401 to 333.7461.

(2) If the court pursuant to this section imposes a sentence of imprisonment for any term of years, the court shall fix the length of both the minimum and maximum sentence within any specified limits in terms of years or a fraction of a year, and the sentence so imposed shall be considered an indeterminate sentence. The court shall not fix a maximum sentence that is less than the maximum term for a first conviction.

(3) A conviction shall not be used to enhance a sentence under this section if that conviction is used to enhance a sentence under a statute that prohibits use of the conviction for further enhancement under this section.

(4) An offender sentenced under this section or section 10 or 11 of this chapter for an offense other than a major controlled substance offense is not eligible for parole until expiration of the following:

(a) For a prisoner other than a prisoner subject to disciplinary time, the minimum term fixed by the sentencing judge at the time of sentence unless the sentencing judge or a successor gives written approval for parole at an earlier date authorized by law.

(b) For a prisoner subject to disciplinary time, the minimum term fixed by the sentencing judge.

(5) This section and sections 10 and 11 of this chapter are not in derogation of other provisions of law that permit or direct the imposition of a consecutive sentence for a subsequent felony.

(6) As used in this section, "prisoner subject to disciplinary time" means that term as defined in section 34 of 1893 PA 118, MCL 800.34.

769.13 Notice of intent to seek enhanced sentence; filing by prosecuting attorney; challenge to accuracy or constitutional validity; evidence of existence of prior conviction; determination by court; burden of proof.

Sec. 13. (1) In a criminal action, the prosecuting attorney may seek to enhance the sentence of the defendant as provided under section 10, 11, or 12 of this chapter, by filing a written notice of his or her intent to do so within 21 days after the defendant's arraignment on the information charging the underlying offense or, if arraignment is waived, within 21 days after the filing of the information charging the underlying offense.

(2) A notice of intent to seek an enhanced sentence filed under subsection (1) shall list the prior conviction or convictions that will or may be relied upon for purposes of sentence enhancement. The notice shall be filed with the court and served upon the defendant or his or her attorney within the time provided in subsection (1). The notice may be personally served upon the defendant or his or her attorney at the arraignment on the information charging the underlying offense, or may be served in the manner provided by law or court rule for service of written pleadings. The prosecuting attorney shall file a written proof of service with the clerk of the court.

(3) The prosecuting attorney may file notice of intent to seek an enhanced sentence after the defendant has been convicted of the underlying offense or a lesser offense, upon his or her plea of guilty or nolo contendere if the defendant pleads guilty or nolo contendere at the arraignment on the information charging the underlying offense, or within the time allowed for filing of the notice under subsection (1).

(4) A defendant who has been given notice that the prosecuting attorney will seek to enhance his or her sentence as provided under section 10, 11, or 12 of this chapter, may challenge the accuracy or constitutional validity of 1 or more of the prior convictions listed in the notice by filing a written motion with the court and by serving a copy of the motion upon the prosecuting attorney in accordance with rules of the supreme court.

(5) The existence of the defendant's prior conviction or convictions shall be determined by the court, without a jury, at sentencing, or at a separate hearing scheduled for that purpose before sentencing. The existence of a prior conviction may be established by any evidence that is relevant for that purpose, including, but not limited to, 1 or more of the following:

(a) A copy of a judgment of conviction.

(b) A transcript of a prior trial or a plea-taking or sentencing proceeding.

(c) A copy of a court register of actions.

(d) Information contained in a presentence report.

(e) A statement of the defendant.

(6) The court shall resolve any challenges to the accuracy or constitutional validity of a prior conviction or convictions that have been raised in a motion filed under subsection (4) at sentencing or at a separate hearing scheduled for that purpose before sentencing. The defendant, or his or her attorney, shall be given an opportunity to deny, explain, or refute any evidence or information pertaining to the defendant's prior conviction or convictions before sentence is imposed, and shall be permitted to present relevant evidence for that purpose. The defendant shall bear the burden of establishing a prima facie showing that an alleged prior conviction is inaccurate or constitutionally invalid. If the defendant establishes a prima facie showing that information or evidence concerning an alleged prior conviction is inaccurate, the prosecuting attorney shall bear the burden of proving, by a preponderance of the evidence, that the information or evidence is accurate. If the defendant establishes a prima facie showing that an alleged prior conviction is constitutionally invalid, the prosecuting attorney shall bear the burden of proving, by a preponderance of the evidence, that the prior conviction is constitutionally valid.

CHAPTER XI

771.3 Probation; conditions; entry of order into LEIN; costs as part of sentence of probation; compliance as condition of probation; revocation of probation; fees in delayed or deferred entry of judgment or sentencing.

Sec. 3. (1) The sentence of probation shall include all of the following conditions:

(a) During the term of his or her probation, the probationer shall not violate any criminal law of this state, the United States, or another state or any ordinance of any municipality in this state or another state.

(b) During the term of his or her probation, the probationer shall not leave the state without the consent of the court granting his or her application for probation.

(c) The probationer shall report to the probation officer, either in person or in writing, monthly or as often as the probation officer requires. This subdivision does not apply to a juvenile placed on probation and committed under section 1(3) or (4) of chapter IX to an institution or agency described in the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309.

(d) If sentenced in circuit court, the probationer shall pay a probation supervision fee as prescribed in section 3c of this chapter.

(e) The probationer shall pay restitution to the victim of the defendant's course of conduct giving rise to the conviction or to the victim's estate as provided in chapter IX. An order for payment of restitution may be modified and shall be enforced as provided in chapter IX.

(f) The probationer shall pay an assessment ordered under section 5 of 1989 PA 196, MCL 780.905.

(g) The probationer shall pay the minimum state cost prescribed by section 1j of chapter IX.

(h) If the probationer is required to be registered under the sex offenders registration act, 1994 PA 295, MCL 28.721 to 28.736, the probationer shall comply with that act.

(2) As a condition of probation, the court may require the probationer to do 1 or more of the following:

(a) Be imprisoned in the county jail for not more than 12 months, at the time or intervals, which may be consecutive or nonconsecutive, within the probation as the court determines. However, the period of confinement shall not exceed the maximum period of imprisonment provided for the offense charged if the maximum period is less than 12 months. The court may permit day parole as authorized under 1962 PA 60, MCL 801.251 to 801.258. The court may permit a work or school release from jail. This subdivision does not apply to a juvenile placed on probation and committed under section 1(3) or (4) of chapter IX to an institution or agency described in the youth rehabilitation services act, 1974 PA 150, MCL 803.301 to 803.309.

(b) Pay immediately or within the period of his or her probation a fine imposed when placed on probation.

(c) Pay costs pursuant to subsection (5).

(d) Pay any assessment ordered by the court other than an assessment described in subsection (1)(f).

(e) Engage in community service.

(f) Agree to pay by wage assignment any restitution, assessment, fine, or cost imposed by the court.

(g) Participate in inpatient or outpatient drug treatment or, beginning January 1, 2005, participate in a drug treatment court under chapter 10A of the revised judicature act of 1961, 1961 PA 236, MCL 600.1060 to 600.1082.

(h) Participate in mental health treatment.

(i) Participate in mental health or substance abuse counseling.

(j) Participate in a community corrections program.

(k) Be under house arrest.

(*l*) Be subject to electronic monitoring.

(m) Participate in a residential probation program.

(n) Satisfactorily complete a program of incarceration in a special alternative incarceration unit as provided in section 3b of this chapter.

(o) Be subject to conditions reasonably necessary for the protection of 1 or more named persons.

(p) Reimburse the county for expenses incurred by the county in connection with the conviction for which probation was ordered as provided in the prisoner reimbursement to the county act, 1984 PA 118, MCL 801.81 to 801.93.

(q) Complete his or her high school education or obtain the equivalency of a high school education in the form of a general education development (GED) certificate.

(3) The court may impose other lawful conditions of probation as the circumstances of the case require or warrant or as in its judgment are proper.

(4) If an order or amended order of probation contains a condition for the protection of 1 or more named persons as provided in subsection (2)(o), the court or a law enforcement agency within the court's jurisdiction shall enter the order or amended order into the law enforcement information network. If the court rescinds the order or amended order or the condition, the court shall remove the order or amended order or the condition from the law enforcement information network or notify that law enforcement agency and the law enforcement agency shall remove the order or amended order or the condition from the law enforcement information network.

(5) If the court requires the probationer to pay costs under subsection (2), the costs shall be limited to expenses specifically incurred in prosecuting the defendant or providing legal assistance to the defendant and supervision of the probationer.

(6) If the court imposes costs under subsection (2) as part of a sentence of probation, all of the following apply:

(a) The court shall not require a probationer to pay costs under subsection (2) unless the probationer is or will be able to pay them during the term of probation. In determining the amount and method of payment of costs under subsection (2), the court shall take into account the probationer's financial resources and the nature of the burden that payment of costs will impose, with due regard to his or her other obligations.

(b) A probationer who is required to pay costs under subsection (1)(g) or (2)(c) and who is not in willful default of the payment of the costs may petition the sentencing judge or his or her successor at any time for a remission of the payment of any unpaid portion of those costs. If the court determines that payment of the amount due will impose a manifest hardship on the probationer or his or her immediate family, the court may remit all or part of the amount due in costs or modify the method of payment.

(7) If a probationer is required to pay costs as part of a sentence of probation, the court may require payment to be made immediately or the court may provide for payment to be made within a specified period of time or in specified installments.

(8) If a probationer is ordered to pay costs as part of a sentence of probation, compliance with that order shall be a condition of probation. The court may revoke probation if the probationer fails to comply with the order and if the probationer has not made a good faith effort to comply with the order. In determining whether to revoke probation, the court shall consider the probationer's employment status, earning ability, and financial resources, the willfulness of the probationer's failure to pay, and any other special circumstances that may have a bearing on the probationer's ability to pay. The proceedings provided for in this subsection are in addition to those provided in section 4 of this chapter.

(9) If entry of judgment is deferred in the circuit court, the court shall require the individual to pay a supervision fee in the same manner as is prescribed for a delayed sentence under section 1(3) of this chapter, shall require the individual to pay the minimum state costs prescribed by section 1j of chapter IX, and may impose, as applicable, the conditions of probation described in subsections (1), (2), and (3).

(10) If sentencing is delayed or entry of judgment is deferred in the district court or in a municipal court, the court shall require the individual to pay the minimum state costs prescribed by section 1j of chapter IX and may impose, as applicable, the conditions of probation described in subsections (1), (2), and (3).

CHAPTER XVII

777.13j Applicability of chapter to certain felonies; MCL 328.232 and 330.1944.

Sec. 13j. This chapter applies to the following felonies enumerated in chapters 325 to 332 of the Michigan Compiled Laws:

M.C.L.	Category	Class	Description	Stat Max
328.232	Property	E	Conversion of funeral contracts	5
330.1944	Pub saf	F	Criminal sexual psychopath leaving state without permission	4

777.16y MCL 750.520b(2) to 750.532; felonies to which chapter applicable.

Sec. 16y. This chapter applies to the following felonies enumerated in chapter 750 of the Michigan Compiled Laws:

M.C.L.	Category	Class	Description	Stat Max
750.520b(2)	Person	A	First degree criminal sexual conduct	Life
750.520c	Person	C	Second degree criminal sexual conduct	15
750.520d	Person	B	Third degree criminal sexual conduct	15
750.520e	Person	G	Fourth degree criminal sexual conduct	2
750.520g(1)	Person	D	Assault with intent to commit sexual penetration	10
750.520g(2)	Person	E	Assault with intent to commit sexual contact	5
750.520n	Pub saf	G	Electronic monitoring device violation	2

750.528	Pub saf	F	Destroying dwelling house or other property during riot or unlawful assembly	4
750.528a	Pub saf	F	Civil disorders — firearms/explosives	4
750.529	Person	A	Armed robbery	Life
750.529a	Person	A	Carjacking	Life
750.530	Person	C	Unarmed robbery	15
750.531	Person	C	Bank robbery/safebreaking	Life
750.532	Person	H	Seduction	5

777.16z MCL 750.520b(2) to 750.552c; felonies to which chapter applicable.

Sec. 16z. This chapter applies to the following felonies enumerated in chapter 750 of the Michigan Compiled Laws:

M.C.L.	Category	Class	Description	Stat Max
750.520b(2)	Property	D	Receiving or concealing stolen property having a value of $20,000 or more or with prior convictions	10
750.535(3)	Property	E	Receiving or concealing stolen property having a value of $1,000 to $20,000 or with prior convictions	5
750.535(7)	Property	E	Receiving or concealing stolen motor vehicle	5
750.535a(2)	Pub ord	D	Operating a chop shop	10
750.535a(3)	Pub ord	D	Operating a chop shop, subsequent violation	10
750.535b	Pub saf	E	Stolen firearms or ammunition	10
750.539c	Pub ord	H	Eavesdropping	2
750.539d(3)(a)(*i*)	Pub ord	H	Installing, placing, or using eavesdropping device	2
750.539d(3)(a)(*ii*)	Pub ord	E	Installing, placing, or using eavesdropping device — subsequent offense	5
750.539d(3)(b)	Pub ord	E	Distributing, disseminating, or transmitting recording or image obtained by eavesdropping	5
750.539e	Pub ord	H	Divulging or using information obtained by eavesdropping	2
750.539f	Pub ord	H	Manufacture or possession of eavesdropping device	2
750.539j(2)(a)(*i*)	Pub ord	H	Lewd surveillance or capturing lewd image	2
750.539j(2)(a)(*ii*)	Pub ord	E	Lewd surveillance or capturing lewd image — subsequent offense	5

750.539j(2)(b)	Pub ord	E	Distributing, disseminating, or transmitting visual image obtained by surveillance	5
750.540(5)(a)	Pub ord	H	Damaging, destroying, using, or obstructing use of electronic medium of communication	2
750.540(5)(b)	Person	F	Damaging, destroying, using, or obstructing use of electronic medium of communication resulting in injury or death	4
750.540c(4)	Property	F	Telecommunication violation	4
750.540f(2)	Property	E	Knowingly publishing a communications access device with prior convictions	5
750.540g(1)(c)	Property	E	Diverting telecommunication services having a value of $1,000 to $20,000 or with prior convictions	5
750.540g(1)(d)	Property	D	Diverting telecommunications services having a value of $20,000 or more or with prior convictions	10
750.543f	Person	A	Terrorism without causing death	Life
750.543h(3)(a)	Pub ord	B	Hindering prosecution of terrorism — certain terrorist acts	20
750.543h(3)(b)	Pub ord	A	Hindering prosecution of terrorism — act of terrorism	Life
750.543k	Pub saf	B	Soliciting or providing material support for terrorism or terrorist acts	20
750.543m	Pub ord	B	Threat or false report of terrorism	20
750.543p	Pub saf	B	Use of internet or telecommunications to commit certain terrorist acts	20
750.543r	Pub saf	B	Possession of vulnerable target information with intent to commit certain terrorist acts	20
750.545	Pub ord	E	Misprision of treason	5
750.552b	Property	F	Trespassing on correctional facility property	4
750.552c	Pub saf	F	Trespass upon key facility	4

777.21 Minimum sentence range; determination.

Sec. 21. (1) Except as otherwise provided in this section, for an offense enumerated in part 2 of this chapter, determine the recommended minimum sentence range as follows:

(a) Find the offense category for the offense from part 2 of this chapter. From section 22 of this chapter, determine the offense variables to be scored for that offense category and score only those offense variables for the offender as provided in part 4 of this chapter. Total those points to determine the offender's offense variable level.

(b) Score all prior record variables for the offender as provided in part 5 of this chapter. Total those points to determine the offender's prior record variable level.

(c) Find the offense class for the offense from part 2 of this chapter. Using the sentencing grid for that offense class in part 6 of this chapter, determine the recommended minimum sentence range from the intersection of the offender's offense variable level and prior record variable level. The recommended minimum sentence within a sentencing grid is shown as a range of months or life.

(2) If the defendant was convicted of multiple offenses, subject to section 14 of chapter XI, score each offense as provided in this part.

(3) If the offender is being sentenced under section 10, 11, or 12 of chapter IX, determine the offense category, offense class, offense variable level, and prior record variable level based on the underlying offense. To determine the recommended minimum sentence range, increase the upper limit of the recommended minimum sentence range determined under part 6 for the underlying offense as follows:

(a) If the offender is being sentenced for a second felony, 25%.

(b) If the offender is being sentenced for a third felony, 50%.

(c) If the offender is being sentenced for a fourth or subsequent felony, 100%.

(4) If the offender is being sentenced for a violation described in section 18 of this chapter, both of the following apply:

(a) Determine the offense variable level by scoring the offense variables for the underlying offense and any additional offense variables for the offense category indicated in section 18 of this chapter.

(b) Determine the offense class based on the underlying offense. If there are multiple underlying felony offenses, the offense class is the same as that of the underlying felony offense with the highest crime class. If there are multiple underlying offenses but only 1 is a felony, the offense class is the same as that of the underlying felony offense. If no underlying offense is a felony, the offense class is G.

(5) If the offender is being sentenced for an attempted felony described in section 19 of this chapter, determine the offense variable level and prior record variable level based on the underlying attempted offense.

777.51 Prior high severity felony convictions.

Sec. 51. (1) Prior record variable 1 is prior high severity felony convictions. Score prior record variable 1 by determining which of the following apply and by assigning the number of points attributable to the one that has the highest number of points:

(a) The offender has 3 or more prior high severity felony convictions ..... 75 points

(b) The offender has 2 prior high severity felony convictions ..... 50 points

(c) The offender has 1 prior high severity felony conviction ..... 25 points

(d) The offender has no prior high severity felony convictions ..... 0 points

(2) As used in this section, "prior high severity felony conviction" means a conviction for any of the following, if the conviction was entered before the sentencing offense was committed:

(a) A crime listed in offense class M2, A, B, C, or D.

(b) A felony under a law of the United States or another state corresponding to a crime listed in offense class M2, A, B, C, or D.

(c) A felony that is not listed in offense class M2, A, B, C, D, E, F, G, or H and that is punishable by a maximum term of imprisonment of 10 years or more.

(d) A felony under a law of the United States or another state that does not correspond to a crime listed in offense class M2, A, B, C, D, E, F, G, or H and that is punishable by a maximum term of imprisonment of 10 years or more.

777.52 Prior low severity felony convictions.

Sec. 52. (1) Prior record variable 2 is prior low severity felony convictions. Score prior record variable 2 by determining which of the following apply and by assigning the number of points attributable to the one that has the highest number of points:

(a) The offender has 4 or more prior low severity felony convictions..... 30 points

(b) The offender has 3 prior low severity felony convictions..... 20 points

(c) The offender has 2 prior low severity felony convictions ..... 10 points

(d) The offender has 1 prior low severity felony conviction..... 5 points

(e) The offender has no prior low severity felony convictions..... 0 points

(2) As used in this section, "prior low severity felony conviction" means a conviction for any of the following, if the conviction was entered before the sentencing offense was committed:

(a) A crime listed in offense class E, F, G, or H.

(b) A felony under a law of the United States or another state that corresponds to a crime listed in offense class E, F, G, or H.

(c) A felony that is not listed in offense class M2, A, B, C, D, E, F, G, or H and that is punishable by a maximum term of imprisonment of less than 10 years.

(d) A felony under a law of the United States or another state that does not correspond to a crime listed in offense class M2, A, B, C, D, E, F, G, or H and that is punishable by a maximum term of imprisonment of less than 10 years.

777.53 Prior high severity juvenile adjudications.

Sec. 53. (1) Prior record variable 3 is prior high severity juvenile adjudications. Score prior record variable 3 by determining which of the following apply and by assigning the number of points attributable to the one that has the highest number of points:

(a) The offender has 3 or more prior high severity juvenile adjudications .. 50 points

(b) The offender has 2 prior high severity juvenile adjudications ..... 25 points

(c) The offender has 1 prior high severity juvenile adjudication ..... 10 points

(d) The offender has no prior high severity juvenile adjudications..... 0 points

(2) As used in this section, "prior high severity juvenile adjudication" means a juvenile adjudication for conduct that would be any of the following if committed by an adult, if the order of disposition was entered before the sentencing offense was committed:

(a) A crime listed in offense class M2, A, B, C, or D.

(b) A felony under a law of the United States or another state corresponding to a crime listed in offense class M2, A, B, C, or D.

(c) A felony that is not listed in offense class M2, A, B, C, D, E, F, G, or H and that is punishable by a maximum term of imprisonment of 10 years or more.

(d) A felony under a law of the United States or another state that does not correspond to a crime listed in offense class M2, A, B, C, D, E, F, G, or H and that is punishable by a maximum term of imprisonment of 10 years or more.

777.54 Prior low severity juvenile adjudications.

Sec. 54. (1) Prior record variable 4 is prior low severity juvenile adjudications. Score prior record variable 4 by determining which of the following apply and by assigning the number of points attributable to the one that has the highest number of points:

(a) The offender has 6 or more prior low severity juvenile adjudications... 20 points

(b) The offender has 5 prior low severity juvenile adjudications..... 15 points

(c) The offender has 3 or 4 prior low severity juvenile adjudications..... 10 points

(d) The offender has 2 prior low severity juvenile adjudications..... 5 points

(e) The offender has 1 prior low severity juvenile adjudication..... 2 points

(f) The offender has no prior low severity juvenile adjudications ..... 0 points

(2) As used in this section, "prior low severity juvenile adjudication" means a juvenile adjudication for conduct that would be any of the following if committed by an adult, if the order of disposition was entered before the sentencing offense was committed:

(a) A crime listed in offense class E, F, G, or H.

(b) A felony under a law of the United States or another state corresponding to a crime listed in offense class E, F, G, or H.

(c) A felony that is not listed in offense class M2, A, B, C, D, E, F, G, or H and that is punishable by a maximum term of imprisonment of less than 10 years.

(d) A felony under a law of the United States or another state that does not correspond to a crime listed in offense class M2, A, B, C, D, E, F, G, or H and that is punishable by a maximum term of imprisonment of less than 10 years.

Repeal of MCL 770.3a.

Enacting section 1. Section 3a of chapter X of the code of criminal procedure, 1927 PA 175, MCL 770.3a, is repealed.

This act is ordered to take immediate effect.
Approved January 8, 2007.
Filed with Secretary of State January 9, 2007.

[No. 656]

(HB 5078)

AN ACT to amend 1911 PA 149, entitled "An act to provide for the acquisition by purchase, condemnation and otherwise by state agencies and public corporations of private property for the use or benefit of the public, and to define the terms "public corporations," "state agencies" and "private property" as used herein," by amending section 3 (MCL 213.23), as amended by 2006 PA 368.

The People of the State of Michigan enact:

213.23 Authority to take private property for public use; acquisition of property; scope of "public use"; condemnation action; compensation; preservation of right, grant, or benefit to property owner; "blighted" defined.

Sec. 3. (1) Any public corporation or state agency is authorized to take private property necessary for a public improvement or for the purposes of its incorporation or for public

use and to institute and prosecute proceedings for that purpose. When funds have been appropriated by the legislature to a state agency, a division of a state agency, the office of the governor, or a division of the office of the governor for the purpose of acquiring lands or property for a designated public use, the unit of a state agency to which the appropriation has been made is authorized on behalf of the people of the state of Michigan to acquire the lands or property either by purchase, condemnation, or otherwise. For the purpose of condemnation, the unit of a state agency may proceed under this act.

(2) The taking of private property by a public corporation or a state agency for transfer to a private entity is not a public use unless the proposed use of the property is invested with public attributes sufficient to fairly deem the entity's activity governmental by 1 or more of the following:

(a) A public necessity of the extreme sort exists that requires collective action to acquire property for instrumentalities of commerce, including a public utility or a state or federally regulated common carrier, whose very existence depends on the use of property that can be assembled only through the coordination that central government alone is capable of achieving.

(b) The property or use of the property will remain subject to public oversight and accountability after the transfer of the property and will be devoted to the use of the public, independent from the will of the private entity to which the property is transferred.

(c) The property is selected on facts of independent public significance or concern, including blight, rather than the private interests of the entity to which the property is eventually transferred.

(3) As used in subsection (1), "public use" does not include the taking of private property for the purpose of transfer to a private entity for either general economic development or the enhancement of tax revenue.

(4) In a condemnation action, the burden of proof is on the condemning authority to demonstrate, by the preponderance of the evidence, that the taking of a private property is for a public use, unless the condemnation action involves a taking of private property because the property is blighted, in which case the burden of proof is on the condemning authority to demonstrate, by clear and convincing evidence, that the taking of that property is for a public use.

(5) If private property consisting of an individual's principal residence is taken for public use, the amount of compensation made and determined for that taking shall be not less than 125% of that property's fair market value, in addition to any other reimbursement allowed by law. In order to be eligible for reimbursement under this subsection, the individual's principal residential structure must be actually taken or the amount of the individual's private property taken leaves less property contiguous to the individual's principal residential structure than the minimum lot size if the local governing unit has implemented a minimum lot size by zoning ordinance.

(6) A taking of private property for public use, as allowed under this section, does not include a taking for a public use that is a pretext to confer a private benefit on a known or unknown private entity. For purposes of this subsection, the taking of private property for the purposes of a drain project by a drainage district as allowed under the drain code of 1956, 1956 PA 40, MCL 280.1 to 280.630, does not constitute a pretext to confer a private benefit on a private entity.

(7) Any existing right, grant, or benefit afforded to property owners as of December 22, 2006, whether provided by the state constitution of 1963, by this section or other statute, or otherwise, shall be preserved and shall not be abrogated or impaired by the 2006 amendatory acts that added or amended this subsection.

(8) As used in this section, "blighted" means property that meets any of the following criteria:

(a) Has been declared a public nuisance in accordance with a local housing, building, plumbing, fire, or other related code or ordinance.

(b) Is an attractive nuisance because of physical condition or use.

(c) Is a fire hazard or is otherwise dangerous to the safety of persons or property.

(d) Has had the utilities, plumbing, heating, or sewerage disconnected, destroyed, removed, or rendered ineffective for a period of 1 year or more so that the property is unfit for its intended use.

(e) Is tax reverted property owned by a municipality, by a county, or by this state. The sale, lease, or transfer of tax reverted property by a municipality, a county, or this state shall not result in the loss to the property of the status as blighted for purposes of this act.

(f) Is property owned or under the control of a land bank fast track authority under the land bank fast track act, 2003 PA 258, MCL 124.751 to 124.774. The sale, lease, or transfer of the property by a land bank fast track authority shall not result in the loss to the property of the status as blighted for purposes of this act.

(g) Is improved real property that has remained vacant for 5 consecutive years and that is not maintained in accordance with applicable local housing or property maintenance codes or ordinances.

(h) Any property that has code violations posing a severe and immediate health or safety threat and that has not been substantially rehabilitated within 1 year after the receipt of notice to rehabilitate from the appropriate code enforcement agency or final determination of any appeal, whichever is later.

This act is ordered to take immediate effect.
Approved January 8, 2007.
Filed with Secretary of State January 9, 2007.

[No. 657]

(HB 5204)

AN ACT to amend 1933 PA 167, entitled "An act to provide for the raising of additional public revenue by prescribing certain specific taxes, fees, and charges to be paid to the state for the privilege of engaging in certain business activities; to provide, incident to the enforcement thereof, for the issuance of licenses to engage in such occupations; to provide for the ascertainment, assessment and collection thereof; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," (MCL 205.51 to 205.78) by adding section 4cc.

The People of the State of Michigan enact:

205.54cc Motion picture production company; tax credit.

Sec. 4cc. (1) For tax years that begin after December 31, 2006 through December 31, 2010, the Michigan film office in the department of history, arts, and libraries, with the concurrence of the state treasurer, may enter into an agreement with a motion picture production company providing a credit against the tax imposed by this act as provided under subsection (2). To qualify for the credit under this section, a motion picture production company shall meet all of the following requirements:

(a) Shall spend at least $200,000.00 in this state for purposes related to the filming or production of a single motion picture.

(b) Shall enter into an agreement as provided in this section.

(c) Shall receive a postproduction certificate of completion under subsection (5).

(d) Shall submit a postproduction certificate of completion issued under subsection (5) to the department of treasury under subsection (7).

(e) Shall not be delinquent in a tax or other obligation owed to this state or be owned or under common control of an entity that is delinquent in a tax or other obligation owed to this state.

(2) An agreement under this section may provide for a motion picture production company to claim a tax credit under this section as follows:

(a) If the company incurs between $200,000.00 and $1,000,000.00 in production spending, up to 12% of its production spending.

(b) If the company incurs between $1,000,000.01 and $5,000,000.00 in production spending, up to 16% of its production spending.

(c) If the company incurs between $5,000,000.01 and $10,000,000.00 in production spending, up to 20% of its production spending. However, if a company incurs more than $10,000,000.00 in production spending, the agreement may provide tax credits based only on the first $10,000,000.00 of its production spending.

(3) A motion picture production company intending to engage in motion picture production in this state may submit an application to enter into an agreement under this section to the Michigan film office. The request shall be submitted in a form prescribed by the department of history, arts, and libraries and shall be accompanied by all of the information and records requested by the Michigan film office. The department shall not process the application until it is complete. As part of the application, the motion picture production company shall estimate its expected production spending for an identified motion picture. If the Michigan film office with the concurrence of the state treasurer determines to enter into an agreement under this section, the agreement shall provide for all of the following:

(a) A requirement that the motion picture production company shall commence work in this state on the identified motion picture within 90 days of the date of the agreement or else the agreement shall expire. However, upon request submitted by the motion picture production company based on good cause, the Michigan film office may extend the period for commencement of production for an additional 90 days.

(b) A statement identifying the motion picture production company and the motion picture that the company intends to produce in whole or in part in this state.

(c) The maximum amount of the credit under this section available to the motion picture production company for the motion picture it plans to produce in whole or in part in this state.

(d) A unique number assigned to the motion picture production project by the Michigan film office.

(e) A requirement that the motion picture not depict obscene matter or an obscene performance.

(4) The film office and the state treasurer shall not enter into an agreement with any motion picture production company providing credits for more than 4 motion pictures for any 1 tax year. In determining whether to enter into an agreement under this section, the film office and the state treasurer shall consider all of the following:

(a) The likelihood that in the absence of the credit the filming will take place in a location other than this state.

(b) The extent to which the filming may have the effect of promoting this state as a tourist destination.

(c) The motion picture production company's record in completing commitments to engage in motion picture production.

(5) If the Michigan film office determines that a motion picture production company has complied with the terms of an agreement entered into under this section, the office shall issue a postproduction certificate to that motion picture production company. The motion picture production company shall submit a request to the Michigan film office on a form prescribed by the department of history, arts, and libraries for a postproduction certificate, along with any documentation the Michigan film office requires. The office shall process each request within 60 days after it is complete. However, the office may request additional information and documentation before issuing a postproduction certificate of completion and need not issue the postproduction certificate until satisfied that production spending is adequately established. Each postproduction certificate of completion shall be signed by the director or his or her designee and shall include the following information:

(a) The name of the motion picture production company.

(b) The name of the motion picture produced in whole or in part in this state.

(c) The motion picture production company's production spending for the motion picture and the amount of the tax credit the company is entitled to claim under this section.

(d) The date of completion for the motion picture production in this state.

(e) The unique number assigned to the motion picture production project by the Michigan film office under subsection (3).

(f) The motion picture production company's federal employer identification number or Michigan treasury number.

(6) Information and records submitted by a motion picture production company to the Michigan film office under this section shall be considered confidential and exempt from disclosure under the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246, to the extent that they describe the commercial and financial operations of the company, they have not been publicly disseminated at any time, and their disclosure might put the company at a competitive disadvantage. A company submitting materials under this section shall specifically designate any information and records that the company deems confidential. The department may release any information and records submitted under this section that have not been designated confidential by the company.

(7) A motion picture production company shall submit a postproduction certificate of completion issued under subsection (5) to the department of treasury. Subject to subsection (8), if the credit allowed under this section exceeds the tax liability of the motion picture production company for the tax year or if the motion picture production company does not

have a tax liability under this act for the tax year, the department of treasury shall refund the excess or pay the amount of the credit to that motion picture production company.

(8) The total amount of tax credits available for all motion picture production companies and their assignees under this section shall not exceed $7,000,000.00 for any 1 tax year.

(9) The state school aid fund established in section 11 of article IX of the state constitution of 1963 and all local units of government shall be held harmless for any credit or refund paid under this section. Any credit or refund paid under this section shall be paid from the general fund in the state treasury.

(10) Not later than March 1 of each year, the department of history, arts, and libraries shall submit to the governor, the chairperson of the senate finance committee, and the house tax policy committee an annual report concerning the operation and effectiveness of the credit under this section. The requirements of section 28(1)(f) of 1941 PA 122, MCL 205.28, do not apply to disclosure of tax information required by this subsection. The report shall include all of the following:

(a) A brief assessment of the overall effectiveness of the credit under this section at attracting motion picture productions to this state during the immediately preceding year.

(b) The number of motion picture productions requesting tax credit preproduction approval letters during the immediately preceding year, the names of the motion pictures produced in this state for which credits were begun or completed in the immediately preceding year, and the locations in this state that were used in the production of approved motion pictures in the immediately preceding year.

(c) The amount of money spent by each motion picture production company identified in subdivision (b) to produce the motion pictures in this state and a breakdown of all production spending by all companies classified as goods, services, or salaries and wages.

(d) An estimate of the number of persons employed in this state by motion picture production companies that qualify for the credit under this section.

(e) The value of all tax credit certificates of completion issued under this section.

(f) An estimate of the cost to the general fund resulting from the tax credits claimed under this section and an estimate of increased direct and indirect spending in this state due to motion picture production.

(g) A brief review of the practices and experiences of other states and provinces with similar incentive programs.

(h) Any other information deemed important by the department to include in the report.

(11) As used in this section:

(a) "Department" means the department of history, arts, and libraries.

(b) "Director" means the director of the department of history, arts, and libraries.

(c) "Michigan film office" or "office" means the Michigan film office housed within the department of history, arts, and libraries.

(d) "Motion picture" means a feature-length film produced for distribution in 2 or more states that is a production for which records are not required to be maintained with respect to any performer in the production under 18 USC 2257, or a television series or a commercial or series of commercials made in this state in whole or in part for theatrical or television viewing or as a television pilot. Motion picture does not include the production of any of the following:

(*i*) Televised news or current events programs.

(*ii*) Live sporting events.

(*iii*) Political advertising.

(*iv*) Radio programs.

(*v*) Weather shows.

(*vi*) Financial market reports.

(*vii*) Talk shows.

(*viii*) Game shows.

(*ix*) Product or service marketing.

(*x*) Awards shows or other events.

(e) "Motion picture production company" or "company" means an entity in the business of producing motion pictures. However, motion picture production company does not include an entity that is more than 30% owned, affiliated, or controlled by an entity or individual who is in default on a loan made by this state, a loan guaranteed by this state, or a loan made or guaranteed by any other state.

(f) "Obscene matter or an obscene performance" means matter described in 1984 PA 343, MCL 752.361 to 752.374.

(g) "Production spending" means the following expenditures made in this state to film or produce a single motion picture:

(*i*) Payments to vendors in this state to purchase tangible personal property that is used in making the motion picture.

(*ii*) Payments to vendors doing business in this state for services relating to motion picture production, editing, and processing.

(*iii*) Payments and compensation, not to exceed $100,000.00 for any 1 employee, for contractual or salaried employees who are residents of this state who perform services with respect to the production.

This act is ordered to take immediate effect.
Approved January 4, 2007.
Filed with Secretary of State January 9, 2007.

[No. 658]

(HB 5259)

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 722 (MCL 257.722), as amended by 2006 PA 83.

The People of the State of Michigan enact:

257.722 Maximum axle load; normal loading maximum; designating highways as adequate for heavier loading; restrictions as to tandem axle assemblies; exceptions; public utility vehicles; normal size of tires; maximum wheel load; reduction of maximum axle load on concrete pavements during March, April, and May; exemptions; suspension of restrictions; determination of gross vehicle weight and axle weights; designation of highways for operation of certain vehicles; definitions.

Sec. 722. (1) The maximum axle load shall not exceed the number of pounds designated in the following provisions that prescribe the distance between axles:

(a) If the axle spacing is 9 feet or more between axles, the maximum axle load shall not exceed 18,000 pounds for vehicles equipped with high pressure pneumatic or balloon tires.

(b) If the axle spacing is less than 9 feet between 2 axles but more than 3-1/2 feet, the maximum axle load shall not exceed 13,000 pounds for high pressure pneumatic or balloon tires.

(c) If the axles are spaced less than 3-1/2 feet apart, the maximum axle load shall not exceed 9,000 pounds per axle.

(d) Subdivisions (a), (b), and (c) shall be known as the normal loading maximum.

(2) When normal loading is in effect, the state transportation department, or a local authority with respect to highways under its jurisdiction, may designate certain highways, or sections of those highways, where bridges and road surfaces are adequate for heavier loading, and revise a designation as needed, on which the maximum tandem axle assembly loading shall not exceed 16,000 pounds for any axle of the assembly, if there is no other axle within 9 feet of any axle of the assembly.

(3) On a legal combination of vehicles, only 1 tandem axle assembly shall be permitted on the designated highways at the gross permissible weight of 16,000 pounds per axle, if there is no other axle within 9 feet of any axle of the assembly, and if no other tandem axle assembly in the combination of vehicles exceeds a gross weight of 13,000 pounds per axle. On a combination of truck tractor and semitrailer having not more than 5 axles, 2 consecutive tandem axle assemblies shall be permitted on the designated highways at a gross permissible weight of 16,000 pounds per axle, if there is no other axle within 9 feet of any axle of the assembly.

(4) Notwithstanding subsection (3), on a combination of truck tractor and semitrailer having not more than 5 axles, 2 consecutive sets of tandem axles may carry a gross permissible weight of not to exceed 17,000 pounds on any axle of the tandem axles if there is no other axle within 9 feet of any axle of the tandem axles and if the first and last axles of the consecutive sets of tandem axles are not less than 36 feet apart and the gross vehicle weight does not exceed 80,000 pounds to pick up and deliver agricultural commodities between the national truck network or special designated highways and any other highway.

This subsection is not subject to the maximum axle loads of subsections (1), (2), and (3). For purposes of this subsection, a "tandem axle" means 2 axles spaced more than 40 inches but not more than 96 inches apart or 2 axles spaced more than 3-1/2 feet but less than 9 feet apart. This subsection does not apply during that period when reduced maximum loads are in effect pursuant to subsection (8).

(5) The exception to the loading maximums and gross vehicle weight requirements of subsection (12) under subsection (8) for a person hauling agricultural commodities applies only if the person who picks up or delivers the agricultural commodity either from a farm or to a farm notifies the county road commission for roads under its authority not less than 48 hours before the pickup or delivery of the time and location of the pickup or delivery. The county road commission shall issue a permit to the person and charge a fee that does not exceed the administrative costs incurred. The permit shall contain all of the following:

(a) The designated route or routes of travel for the load.

(b) The date and time period requested by the person who picks up or delivers the agricultural commodities during which the load may be delivered or picked up.

(c) A maximum speed limit of travel, if necessary.

(d) Any other specific conditions agreed to between the parties.

(6) The exception to the loading maximums and gross vehicle weight requirements of subsection (12) under subsection (8) applies to public utility vehicles that are owned or operated by public utilities under the jurisdiction of the Michigan public service commission, or are subcontracted by public utilities under the jurisdiction of the Michigan public service commission to perform electrical emergency public utility work, only under the following circumstances:

(a) For emergency public utility work on restricted roads, as follows:

(*i*) If required by the county road commission, the public utility shall notify the county road commission, as soon as practical, of the location of the emergency public utility work and provide a statement that the vehicles that were used to perform the emergency utility work may have exceeded the loading maximums and gross vehicle weight requirements of subsection (12) under subsection (8). The notification may be made via facsimile or electronically.

(*ii*) The public utility vehicle travels to and from the site of the emergency public utility work while on a restricted road at a speed not greater than 35 miles per hour.

(b) For nonemergency public utility work on restricted roads, as follows:

(*i*) If the county road commission requires, the public utility shall apply to the county road commission annually for a seasonal truck permit for roads under its authority before seasonal weight restrictions are effective. The county road commission shall issue a seasonal truck permit for each vehicle or vehicle configuration the public utility anticipates will be utilized for nonemergency public utility work. The county road commission may charge a fee for a permit that does not exceed the administrative costs incurred for the permit. The seasonal truck permit shall contain all of the following:

(A) The seasonal period requested by the public utility during which the permit is valid.

(B) A unique identification number for the vehicle and any vehicle configuration to be covered on the seasonal truck permit requested by the public utility.

(C) A requirement that travel on restricted roads during weight restrictions will be minimized and only utilized when necessary to perform work using the public utility vehicle or vehicle configuration and that nonrestricted roads shall be used for travel when available and for routine travel.

(*ii*) If the county road commission requires notification, the county road commission shall provide a notification application for the public utility to use when requesting access to operate on restricted roads and the public utility shall provide notification to the county road commission, via facsimile or electronically, not later than 24 hours before the time of the intended travel. Notwithstanding this subsection or an agreement under this subsection, if the county road commission determines that the condition of a particular road under its jurisdiction makes it unusable, the county road commission may deny access to all or any part of that road. The denial shall be made and communicated via facsimile or electronically to the public utility within 24 hours after receiving notification that the public utility intends to perform nonemergency work that requires use of that road. Any notification that is not disapproved within 24 hours after the notice is received by the county road commission is considered approved. The notification application required under this subparagraph may include all of the following information:

(A) The address or location of the nonemergency work.

(B) The date or dates of the nonemergency work.

(C) The route to be taken to the nonemergency work site.

(D) The restricted road or roads intended to be traveled upon to the nonemergency work site or sites.

(7) The normal size of tires shall be the rated size as published by the manufacturers, and the maximum wheel load permissible for any wheel shall not exceed 700 pounds per inch of width of tire.

(8) Except as provided in this subsection and subsection (9), during the months of March, April, and May in each year, the maximum axle load allowable on concrete pavements or pavements with a concrete base is reduced by 25% from the maximum axle load as specified in this chapter, and the maximum axle loads allowable on all other types of roads during these months are reduced by 35% from the maximum axle loads as specified. The maximum wheel load shall not exceed 525 pounds per inch of tire width on concrete and concrete base or 450 pounds per inch of tire width on all other roads during the period the seasonal road restrictions are in effect. This subsection does not apply to vehicles transporting agricultural commodities or public utility vehicles on a highway, road, or street under the jurisdiction of a local road agency.

(9) The state transportation department for roads under its jurisdiction and a county road commission for roads under its jurisdiction may grant exemptions from seasonal weight restrictions for milk on specified routes when requested in writing. Approval or denial of a request for an exemption shall be given by written notice to the applicant within 30 days after the date of submission of the application. If a request is denied, the written notice shall state the reason for denial and alternate routes for which the permit may be issued. The applicant may appeal to the state transportation commission or the county road commission. These exemptions do not apply on county roads in counties that have negotiated agreements with milk haulers or haulers of other commodities during periods of seasonal load limits before April 14, 1993. This subsection does not limit the ability of these counties to continue to negotiate such agreements.

(10) The state transportation department, or a local authority with respect to highways under its jurisdiction, may suspend the restrictions imposed by this section when and where conditions of the highways or the public health, safety, and welfare warrant suspension, and impose the restricted loading requirements of this section on designated highways at any other time that the conditions of the highway require.

(11) For the purpose of enforcing this act, the gross vehicle weight of a single vehicle and load or a combination of vehicles and loads, shall be determined by weighing individual axles or groups of axles, and the total weight on all the axles shall be the gross vehicle weight. In addition, the gross axle weight shall be determined by weighing individual axles or by weighing a group of axles and dividing the gross weight of the group of axles by the number of axles in the group. For purposes of subsection (12), the overall gross weight on a group of 2 or more axles shall be determined by weighing individual axles or several axles, and the total weight of all the axles in the group shall be the overall gross weight of the group.

(12) The loading maximum in this subsection applies to interstate highways, and the state transportation department, or a local authority with respect to highways under its jurisdiction, may designate a highway, or a section of a highway, for the operation of vehicles having a gross vehicle weight of not more than 80,000 pounds that are subject to the following load maximums:

(a) Twenty thousand pounds on any 1 axle, including all enforcement tolerances.

(b) A tandem axle weight of 34,000 pounds, including all enforcement tolerances.

(c) An overall gross weight on a group of 2 or more consecutive axles equaling:

$$W = 500 \left(\frac{LN}{N-1} + 12N + 36 \right)$$

where W = overall gross weight on a group of 2 or more consecutive axles to the nearest 500 pounds, L = distance in feet between the extreme of a group of 2 or more consecutive axles, and N = number of axles in the group under consideration; except that 2 consecutive sets of tandem axles may carry a gross load of 34,000 pounds each if the first and last axles of the consecutive sets of tandem axles are not less than 36 feet apart. The gross vehicle weight shall not exceed 80,000 pounds including all enforcement tolerances. Except for 5 axle truck tractor, semitrailer combinations having 2 consecutive sets of tandem axles, vehicles having a gross weight in excess of 80,000 pounds or in excess of the vehicle gross weight determined by application of the formula in this subsection are subject to the maximum axle loads of subsections (1), (2), and (3). As used in this subsection, "tandem axle weight" means the total weight transmitted to the road by 2 or more consecutive axles, the centers of which may be included between parallel transverse vertical planes spaced more than 40 inches but not more than 96 inches apart, extending across the full width of the vehicle. Except as otherwise provided in this section, vehicles transporting agricultural commodities shall have weight load maximums as set forth in this subsection.

(13) As used in this section:

(a) "Agricultural commodities" means those plants and animals useful to human beings produced by agriculture and includes, but is not limited to, forages and sod crops, grains and feed crops, field crops, dairy and dairy products, poultry and poultry products, cervidae, livestock, including breeding and grazing, equine, fish, and other aquacultural products, bees and bee products, berries, herbs, fruits, vegetables, flowers, seeds, grasses, nursery stock, mushrooms, fertilizer, livestock bedding, farming equipment, and fuel for agricultural use. The term does not include trees or lumber.

(b) "Emergency public utility work" means work performed to restore public utility service or to eliminate a danger to the public due to a natural disaster, an act of God, or an emergency situation, whether or not a public official has declared an emergency.

This act is ordered to take immediate effect.

Approved January 8, 2007.

Filed with Secretary of State January 10, 2007.

[No. 659]

(HB 5901)

AN ACT to amend 1975 PA 197, entitled "An act to provide for the establishment of a downtown development authority; to prescribe its powers and duties; to correct and prevent deterioration in business districts; to encourage historic preservation; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans in the districts; to promote the economic growth of the districts; to create a board; to prescribe its powers and duties; to authorize the levy and collection of taxes; to authorize the issuance of bonds and other evidences of indebtedness; to authorize the use of tax increment financing; to reimburse downtown development authorities for certain losses of tax increment revenues; and to prescribe the powers and duties of certain state officials," by amending section 1 (MCL 125.1651), as amended by 2005 PA 115.

The People of the State of Michigan enact:

125.1651 Definitions.

Sec. 1. As used in this act:

(a) "Advance" means a transfer of funds made by a municipality to an authority or to another person on behalf of the authority in anticipation of repayment by the authority. Evidence of the intent to repay an advance may include, but is not limited to, an executed agreement to repay, provisions contained in a tax increment financing plan approved prior to the advance, or a resolution of the authority or the municipality.

(b) "Assessed value" means 1 of the following:

(*i*) For valuations made before January 1, 1995, the state equalized valuation as determined under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157.

(*ii*) For valuations made after December 31, 1994, the taxable value as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(c) "Authority" means a downtown development authority created pursuant to this act.

(d) "Board" means the governing body of an authority.

(e) "Business district" means an area in the downtown of a municipality zoned and used principally for business.

(f) "Captured assessed value" means the amount in any 1 year by which the current assessed value of the project area, including the assessed value of property for which specific local taxes are paid in lieu of property taxes as determined in subdivision (z), exceeds the initial assessed value. The state tax commission shall prescribe the method for calculating captured assessed value.

(g) "Chief executive officer" means the mayor or city manager of a city, the president or village manager of a village, or the supervisor of a township or, if designated by the township board for purposes of this act, the township superintendent or township manager of a township.

(h) "Development area" means that area to which a development plan is applicable.

(i) "Development plan" means that information and those requirements for a development plan set forth in section 17.

(j) "Development program" means the implementation of the development plan.

(k) "Downtown district" means that part of an area in a business district that is specifically designated by ordinance of the governing body of the municipality pursuant to this

act. A downtown district may include 1 or more separate and distinct geographic areas in a business district as determined by the municipality if the municipality enters into an agreement with a qualified township under section 3(7) or if the municipality is a city that surrounds another city and that other city lies between the 2 separate and distinct geographic areas. If the downtown district contains more than 1 separate and distinct geographic area in the downtown district, the separate and distinct geographic areas shall be considered 1 downtown district.

(*l*) "Eligible advance" means an advance made before August 19, 1993.

(m) "Eligible obligation" means an obligation issued or incurred by an authority or by a municipality on behalf of an authority before August 19, 1993 and its subsequent refunding by a qualified refunding obligation. Eligible obligation includes an authority's written agreement entered into before August 19, 1993 to pay an obligation issued after August 18, 1993 and before December 31, 1996 by another entity on behalf of the authority.

(n) "Fire alarm system" means a system designed to detect and annunciate the presence of fire, or by-products of fire. Fire alarm system includes smoke detectors.

(o) "Fiscal year" means the fiscal year of the authority.

(p) "Governing body of a municipality" means the elected body of a municipality having legislative powers.

(q) "Initial assessed value" means the assessed value, as equalized, of all the taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality for which equalization has been completed at the time the resolution is adopted. Property exempt from taxation at the time of the determination of the initial assessed value shall be included as zero. For the purpose of determining initial assessed value, property for which a specific local tax is paid in lieu of a property tax shall not be considered to be property that is exempt from taxation. The initial assessed value of property for which a specific local tax was paid in lieu of a property tax shall be determined as provided in subdivision (z). In the case of a municipality having a population of less than 35,000 that established an authority prior to 1985, created a district or districts, and approved a development plan or tax increment financing plan or amendments to a plan, and which plan or tax increment financing plan or amendments to a plan, and which plan expired by its terms December 31, 1991, the initial assessed value for the purpose of any plan or plan amendment adopted as an extension of the expired plan shall be determined as if the plan had not expired December 31, 1991. For a development area designated before 1997 in which a renaissance zone has subsequently been designated pursuant to the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, the initial assessed value of the development area otherwise determined under this subdivision shall be reduced by the amount by which the current assessed value of the development area was reduced in 1997 due to the exemption of property under section 7ff of the general property tax act, 1893 PA 206, MCL 211.7ff, but in no case shall the initial assessed value be less than zero.

(r) "Municipality" means a city, village, or township.

(s) "Obligation" means a written promise to pay, whether evidenced by a contract, agreement, lease, sublease, bond, or note, or a requirement to pay imposed by law. An obligation does not include a payment required solely because of default upon an obligation, employee salaries, or consideration paid for the use of municipal offices. An obligation does not include those bonds that have been economically defeased by refunding bonds issued under this act. Obligation includes, but is not limited to, the following:

(*i*) A requirement to pay proceeds derived from ad valorem property taxes or taxes levied in lieu of ad valorem property taxes.

(*ii*) A management contract or a contract for professional services.

(*iii*) A payment required on a contract, agreement, bond, or note if the requirement to make or assume the payment arose before August 19, 1993.

(*iv*) A requirement to pay or reimburse a person for the cost of insurance for, or to maintain, property subject to a lease, land contract, purchase agreement, or other agreement.

(*v*) A letter of credit, paying agent, transfer agent, bond registrar, or trustee fee associated with a contract, agreement, bond, or note.

(t) "On behalf of an authority", in relation to an eligible advance made by a municipality, or an eligible obligation or other protected obligation issued or incurred by a municipality, means in anticipation that an authority would transfer tax increment revenues or reimburse the municipality from tax increment revenues in an amount sufficient to fully make payment required by the eligible advance made by the municipality, or eligible obligation or other protected obligation issued or incurred by the municipality, if the anticipation of the transfer or receipt of tax increment revenues from the authority is pursuant to or evidenced by 1 or more of the following:

(*i*) A reimbursement agreement between the municipality and an authority it established.

(*ii*) A requirement imposed by law that the authority transfer tax increment revenues to the municipality.

(*iii*) A resolution of the authority agreeing to make payments to the incorporating unit.

(*iv*) Provisions in a tax increment financing plan describing the project for which the obligation was incurred.

(u) "Operations" means office maintenance, including salaries and expenses of employees, office supplies, consultation fees, design costs, and other expenses incurred in the daily management of the authority and planning of its activities.

(v) "Other protected obligation" means:

(*i*) A qualified refunding obligation issued to refund an obligation described in subparagraph (*ii*), (*iii*), or (*iv*), an obligation that is not a qualified refunding obligation that is issued to refund an eligible obligation, or a qualified refunding obligation issued to refund an obligation described in this subparagraph.

(*ii*) An obligation issued or incurred by an authority or by a municipality on behalf of an authority after August 19, 1993, but before December 31, 1994, to finance a project described in a tax increment finance plan approved by the municipality in accordance with this act before December 31, 1993, for which a contract for final design is entered into by or on behalf of the municipality or authority before March 1, 1994 or for which a written agreement with a developer, titled preferred development agreement, was entered into by or on behalf of the municipality or authority in July 1993.

(*iii*) An obligation incurred by an authority or municipality after August 19, 1993, to reimburse a party to a development agreement entered into by a municipality or authority before August 19, 1993, for a project described in a tax increment financing plan approved in accordance with this act before August 19, 1993, and undertaken and installed by that party in accordance with the development agreement.

(*iv*) An obligation incurred by the authority evidenced by or to finance a contract to purchase real property within a development area or a contract to develop that property within the development area, or both, if all of the following requirements are met:

(A) The authority purchased the real property in 1993.

(B) Before June 30, 1995, the authority enters a contract for the development of the real property located within the development area.

(C) In 1993, the authority or municipality on behalf of the authority received approval for a grant from both of the following:

(I) The department of natural resources for site reclamation of the real property.

(II) The department of consumer and industry services for development of the real property.

(*v*) An ongoing management or professional services contract with the governing body of a county which was entered into before March 1, 1994 and which was preceded by a series of limited term management or professional services contracts with the governing body of the county, the last of which was entered into before August 19, 1993.

(*vi*) A loan from a municipality to an authority if the loan was approved by the legislative body of the municipality on April 18, 1994.

(*vii*) Funds expended to match a grant received by a municipality on behalf of an authority for sidewalk improvements from the Michigan department of transportation if the legislative body of the municipality approved the grant application on April 5, 1993 and the grant was received by the municipality in June 1993.

(*viii*) For taxes captured in 1994, an obligation described in this subparagraph issued or incurred to finance a project. An obligation is considered issued or incurred to finance a project described in this subparagraph only if all of the following are met:

(A) The obligation requires raising capital for the project or paying for the project, whether or not a borrowing is involved.

(B) The obligation was part of a development plan and the tax increment financing plan was approved by a municipality on May 6, 1991.

(C) The obligation is in the form of a written memorandum of understanding between a municipality and a public utility dated October 27, 1994.

(D) The authority or municipality captured school taxes during 1994.

(*ix*) An obligation incurred by an authority on October 1, 2001 that was used to finance streetscape capital projects, to the extent taxes described in subdivision (bb)(*ii*) were captured in 2002 through 2004, if a plan for the subsequent repayment of those taxes has been approved by the state tax commission and that plan provides for the payment of interest on those taxes at a rate described in section 23(2) of 1941 PA 122, MCL 205.23.

(w) "Public facility" means a street, plaza, pedestrian mall, and any improvements to a street, plaza, or pedestrian mall including street furniture and beautification, park, parking facility, recreational facility, right-of-way, structure, waterway, bridge, lake, pond, canal, utility line or pipe, building, and access routes to any of the foregoing, designed and dedicated to use by the public generally, or used by a public agency. Public facility includes an improvement to a facility used by the public or a public facility as those terms are defined in section 1 of 1966 PA 1, MCL 125.1351, which improvement is made to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

(x) "Qualified refunding obligation" means an obligation issued or incurred by an authority or by a municipality on behalf of an authority to refund an obligation if the obligation is issued to refund a qualified refunding obligation issued in November 1997 and any subsequent refundings of that obligation issued before January 1, 2010 or the refunding obligation meets both of the following:

(*i*) The net present value of the principal and interest to be paid on the refunding obligation, including the cost of issuance, will be less than the net present value of the principal and interest to be paid on the obligation being refunded, as calculated using a method approved by the department of treasury.

(*ii*) The net present value of the sum of the tax increment revenues described in subdivision (bb)(*ii*) and the distributions under section 13b to repay the refunding obligation will not be greater than the net present value of the sum of the tax increment revenues described in subdivision (bb)(*ii*) and the distributions under section 13b to repay the obligation being refunded, as calculated using a method approved by the department of treasury.

(y) "Qualified township" means a township that meets all of the following requirements:

(*i*) Was not eligible to create an authority prior to January 3, 2005.

(*ii*) Adjoins a municipality that previously created an authority.

(*iii*) Along with the adjoining municipality that previously created an authority, is a member of the same joint planning commission under the joint municipal planning act, 2003 PA 226, MCL 125.131 to 125.143.

(z) "Specific local tax" means a tax levied under 1974 PA 198, MCL 207.551 to 207.572, the commercial redevelopment act, 1978 PA 255, MCL 207.651 to 207.668, the technology park development act, 1984 PA 385, MCL 207.701 to 207.718, and 1953 PA 189, MCL 211.181 to 211.182. The initial assessed value or current assessed value of property subject to a specific local tax shall be the quotient of the specific local tax paid divided by the ad valorem millage rate. However, after 1993, the state tax commission shall prescribe the method for calculating the initial assessed value and current assessed value of property for which a specific local tax was paid in lieu of a property tax.

(aa) "State fiscal year" means the annual period commencing October 1 of each year.

(bb) "Tax increment revenues" means the amount of ad valorem property taxes and specific local taxes attributable to the application of the levy of all taxing jurisdictions upon the captured assessed value of real and personal property in the development area, subject to the following requirements:

(*i*) Tax increment revenues include ad valorem property taxes and specific local taxes attributable to the application of the levy of all taxing jurisdictions other than the state pursuant to the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, and local or intermediate school districts upon the captured assessed value of real and personal property in the development area for any purpose authorized by this act.

(*ii*) Tax increment revenues include ad valorem property taxes and specific local taxes attributable to the application of the levy of the state pursuant to the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, and local or intermediate school districts upon the captured assessed value of real and personal property in the development area in an amount equal to the amount necessary, without regard to subparagraph (*i*), to repay eligible advances, eligible obligations, and other protected obligations.

(*iii*) Tax increment revenues do not include any of the following:

(A) Ad valorem property taxes attributable either to a portion of the captured assessed value shared with taxing jurisdictions within the jurisdictional area of the authority or to a portion of value of property that may be excluded from captured assessed value or specific local taxes attributable to such ad valorem property taxes.

(B) Ad valorem property taxes excluded by the tax increment financing plan of the authority from the determination of the amount of tax increment revenues to be transmitted to the authority or specific local taxes attributable to such ad valorem property taxes.

(C) Ad valorem property taxes exempted from capture under section 3(3) or specific local taxes attributable to such ad valorem property taxes.

(*iv*) The amount of tax increment revenues authorized to be included under subparagraph (*ii*) or (*v*), and required to be transmitted to the authority under section 14(1), from

ad valorem property taxes and specific local taxes attributable to the application of the levy of the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, a local school district or an intermediate school district upon the captured assessed value of real and personal property in a development area shall be determined separately for the levy by the state, each school district, and each intermediate school district as the product of sub-subparagraphs (A) and (B):

(A) The percentage that the total ad valorem taxes and specific local taxes available for distribution by law to the state, local school district, or intermediate school district, respectively, bears to the aggregate amount of ad valorem millage taxes and specific taxes available for distribution by law to the state, each local school district, and each intermediate school district.

(B) The maximum amount of ad valorem property taxes and specific local taxes considered tax increment revenues under subparagraph (*ii*) or (*v*).

(*v*) Tax increment revenues include ad valorem property taxes and specific local taxes, in an annual amount and for each year approved by the state treasurer, attributable to the levy by this state under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, and by local or intermediate school districts, upon the captured assessed value of real and personal property in the development area of an authority established in a city with a population of 750,000 or more to pay for, or reimburse an advance for, not more than $8,000,000.00 for the demolition of buildings or structures on public or privately owned property within a development area that commences in 2005, or to pay the annual principal of or interest on an obligation, the terms of which are approved by the state treasurer, issued by an authority, or by a city on behalf of an authority, to pay not more than $8,000,000.00 of the costs to demolish buildings or structures on public or privately owned property within a development area that commences in 2005.

This act is ordered to take immediate effect.
Approved January 8, 2007.
Filed with Secretary of State January 10, 2007.

[No. 660]

(HB 5947)

AN ACT to amend 1992 PA 147, entitled "An act to provide for the development and rehabilitation of residential housing; to provide for the creation of neighborhood enterprise zones; to provide for obtaining neighborhood enterprise zone certificates for a period of time and to prescribe the contents of the certificates; to provide for the exemption of certain taxes; to provide for the levy and collection of a specific tax on the owner of certain facilities; and to prescribe the powers and duties of certain officers of the state and local governmental units," by amending section 4 (MCL 207.774), as amended by 2006 PA 349.

The People of the State of Michigan enact:

207.774 Neighborhood enterprise zone certificate; application; filing; manner and form; contents; effective date of certificate; conditions.

Sec. 4. (1) The owner of a homestead facility or owner or developer or prospective owner or developer of a proposed new facility or an owner or developer or prospective developer

proposing to rehabilitate property located in a neighborhood enterprise zone may file an application for a neighborhood enterprise zone certificate with the clerk of the local governmental unit. The application shall be filed in the manner and form prescribed by the commission. The clerk of the local governmental unit shall provide a copy of each homestead facility application to the assessor for the local governmental unit. Except as provided in subsection (2), the application shall be filed before a building permit is issued for the new construction or rehabilitation of the facility.

(2) An application may be filed after a building permit is issued only if 1 or more of the following apply:

(a) For the rehabilitation of a facility if the area in which the facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in the calendar year 1992 and if the building permit is issued for the rehabilitation before December 31, 1994 and after the date on which the area in which the facility is located was designated as a neighborhood enterprise zone by the governing body of the local governmental unit.

(b) For the construction of a new facility if the area in which the new facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in calendar year 1992 or 1993 and if the building permit is issued for that new facility before December 31, 1995 and after January 1, 1993.

(c) For the construction of a new facility if the area in which the new facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in July 1997 and if the building permit is issued for that new facility on February 3, 1998.

(d) For a new facility or a rehabilitated facility if the area in which the new facility or rehabilitated facility is located was designated as a neighborhood enterprise zone by the governing body of the local governmental unit in July 1996 and if the building permit was issued for that facility on or before July 3, 2001.

(e) For a new facility or a rehabilitated facility if the area in which the new facility or rehabilitated facility is located was designated as a neighborhood enterprise zone by the governing body of the local governmental unit in October 1994 and if the building permit was issued for that facility on or before April 25, 1997.

(f) For the construction of a new facility if the area in which the new facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in September 2001 and if the building permit is issued for that new facility on March 3, 2003.

(g) For a rehabilitated facility if all or a portion of the rehabilitated facility is a qualified historic building.

(h) For the construction of a new facility if the area in which the new facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in July 1993 and the new facility was a model home.

(i) For the construction of a new facility if the area in which the new facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in August 2004 and if building permits were issued for that facility beginning November 5, 2002 through December 23, 2003.

(j) For a homestead facility.

(k) For the construction of a facility if the area in which the facility is located was designated as a neighborhood enterprise zone by the governing body of the local governmental unit in July 2003, and if the building permit was issued for that facility in June 2004.

(*l*) For a new facility or a rehabilitated facility if the area in which the new facility or rehabilitated facility is located was designated as a neighborhood zone by the governing body of the local governmental unit in February 2004 and if the building permit for that facility was issued in August 2003 or January 2005.

(3) The application shall contain or be accompanied by all of the following:

(a) A general description of the homestead facility, new facility, or proposed rehabilitated facility.

(b) The dimensions of the parcel on which the homestead facility, new facility, or proposed rehabilitated facility is or is to be located.

(c) The general nature and extent of the construction to be undertaken.

(d) A time schedule for undertaking and completing the rehabilitation of property or the construction of the new facility.

(e) A statement by the owner of a homestead facility that the owner is committed to investing a minimum of $500.00 in the first 3 years that the certificate for a homestead facility is in effect and committed to documenting the minimum investment if required to do so by the assessor of the local governmental unit.

(f) Any other information required by the local governmental unit.

(4) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (2)(c), the effective date of the certificate shall be the first day of the tax year following the year the certificate is approved by the commission.

(5) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (2)(d) or the amendatory act that added subsection (2)(e), the effective date of the certificate shall be January 1, 2001.

(6) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (2)(j) or the amendatory act that added subsection (2)(k), the effective date of the certificate shall be the first day of the tax year following the year the certificate is approved by the commission.

(7) For a certificate issued as a result of the amendatory act that added subsection (2)(e), both of the following shall apply not withstanding any other provision of this act:

(a) The effective date of the certificate shall be January 1, 2001 and the taxable value for rehabilitated facilities shall be set as provided in section 10(3).

(b) For certificates issued or reissued after December 31, 2005, the amount of the neighborhood enterprise zone tax on a rehabilitated facility is determined each year by multiplying the taxable value of the rehabilitated facility, not including the land, as of December 31 of the year prior to the start of the improvement as described in subsection (3) by the total mills collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, for the current year by all taxing units within which the rehabilitated facility is located.

(8) For any certificate issued as result of the amendatory act that added subsection (2)(*l*), notwithstanding any other provision of this act the amount of the neighborhood enterprise zone tax on a rehabilitated facility is determined each year by multiplying the taxable value of the rehabilitated facility, not including the land, as of December 31 of the year prior to the start of the improvement as described in subsection (3) by the total mills collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, for the current year by all taxing units within which the rehabilitated facility is located.

(9) If a new facility is completed in a neighborhood enterprise zone approved in October 1996 and a building permit was issued in March 1998 but a neighborhood enterprise zone certificate was not applied for by the original owner occupying the facility as a principal residence, a subsequent owner occupying the new facility as a principal residence can request and, notwithstanding any other provision of this act, effective December 31 of the year preceding the application, be granted a neighborhood enterprise zone certificate for the remainder of the term, not to exceed 12 years, that a neighborhood enterprise zone certificate would have been in effect for the original owner of the new facility.

This act is ordered to take immediate effect.
Approved January 8, 2007.
Filed with Secretary of State January 10, 2007.

[No. 661]

(HB 4539)

AN ACT to amend 1992 PA 147, entitled "An act to provide for the development and rehabilitation of residential housing; to provide for the creation of neighborhood enterprise zones; to provide for obtaining neighborhood enterprise zone certificates for a period of time and to prescribe the contents of the certificates; to provide for the exemption of certain taxes; to provide for the levy and collection of a specific tax on the owner of certain facilities; and to prescribe the powers and duties of certain officers of the state and local governmental units," by amending sections 2, 4, and 12 (MCL 207.772, 207.774, and 207.782), sections 2 and 12 as amended by 2005 PA 339 and section 4 as amended by 2006 PA 349.

The People of the State of Michigan enact:

207.772 Definitions.

Sec. 2. As used in this act:

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

(b) "Condominium unit" means that portion of a structure intended for separate ownership, intended for residential use, and established pursuant to the condominium act, 1978 PA 59, MCL 559.101 to 559.276. Condominium units within a qualified historic building may be held under common ownership.

(c) "Developer" means a person who is the owner of a new facility at the time of construction or of a rehabilitated facility at the time of rehabilitation for which a neighborhood enterprise zone certificate is applied for or issued.

(d) "Facility" means a homestead facility, a new facility, or a rehabilitated facility.

(e) "Homestead facility" means an existing structure, purchased by or transferred to an owner after December 31, 1996, that has as its primary purpose residential housing consisting of 1 or 2 units, 1 of which is occupied by an owner as his or her principal residence and that is located within a subdivision platted pursuant to state law before January 1, 1968.

(f) "Local governmental unit" means a qualified local governmental unit as that term is defined under section 2 of the obsolete property rehabilitation act, 2000 PA 146, MCL 125.2782, or a county seat.

(g) "New facility" means a new structure or a portion of a new structure that has as its primary purpose residential housing consisting of 1 or 2 units, 1 of which is or will be occupied

by an owner as his or her principal residence. New facility includes a model home or a model condominium unit. New facility includes a new individual condominium unit, in a structure with 1 or more condominium units, that has as its primary purpose residential housing and that is or will be occupied by an owner as his or her principal residence. New facility does not include apartments.

(h) "Neighborhood enterprise zone certificate" or "certificate" means a certificate issued pursuant to sections 4, 5, and 6.

(i) "Owner" means the record title holder of, or the vendee of the original land contract pertaining to, a new facility, a homestead facility, or a rehabilitated facility for which a neighborhood enterprise zone certificate is applied for or issued.

(j) "Qualified historic building" means a property within a neighborhood enterprise zone that has been designated a historic resource as defined under section 266 of the income tax act of 1967, 1967 PA 281, MCL 206.266.

(k) "Rehabilitated facility" means an existing structure or a portion of an existing structure with a current true cash value of $80,000.00 or less per unit that has or will have as its primary purpose residential housing, consisting of 1 to 8 units, the owner of which proposes improvements that if done by a licensed contractor would cost in excess of $5,000.00 per owner-occupied unit or 50% of the true cash value, whichever is less, or $7,500.00 per nonowner-occupied unit or 50% of the true cash value, whichever is less, or the owner proposes improvements that would be done by the owner and not a licensed contractor and the cost of the materials would be in excess of $3,000.00 per owner-occupied unit or $4,500.00 per nonowner-occupied unit and will bring the structure into conformance with minimum local building code standards for occupancy or improve the livability of the units while meeting minimum local building code standards. Rehabilitated facility also includes an individual condominium unit, in a structure with 1 or more condominium units that has as its primary purpose residential housing, the owner of which proposes the above described improvements. Rehabilitated facility also includes existing or proposed condominium units in a qualified historic building with 1 or more existing or proposed condominium units. Rehabilitated facility does not include a facility rehabilitated with the proceeds of an insurance policy for property or casualty loss. A qualified historic building may contain multiple rehabilitated facilities.

207.774 Neighborhood enterprise zone certificate; application; filing; manner and form; contents; effective date of certificate; conditions.

Sec. 4. (1) The owner of a homestead facility or owner or developer or prospective owner or developer of a proposed new facility or an owner or developer or prospective developer proposing to rehabilitate property located in a neighborhood enterprise zone may file an application for a neighborhood enterprise zone certificate with the clerk of the local governmental unit. The application shall be filed in the manner and form prescribed by the commission. The clerk of the local governmental unit shall provide a copy of each homestead facility application to the assessor for the local governmental unit. Except as provided in subsection (2) or as otherwise provided by the local governmental unit by resolution if the application is filed not later than 6 months following the date the building permit is issued, the application shall be filed before a building permit is issued for the new construction or rehabilitation of the facility.

(2) An application may be filed after a building permit is issued only if 1 or more of the following apply:

(a) For the rehabilitation of a facility if the area in which the facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental

unit in the calendar year 1992 and if the building permit is issued for the rehabilitation before December 31, 1994 and after the date on which the area in which the facility is located was designated as a neighborhood enterprise zone by the governing body of the local governmental unit.

(b) For the construction of a new facility if the area in which the new facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in calendar year 1992 or 1993 and if the building permit is issued for that new facility before December 31, 1995 and after January 1, 1993.

(c) For the construction of a new facility if the area in which the new facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in July 1997 and if the building permit is issued for that new facility on February 3, 1998.

(d) For a new facility or a rehabilitated facility if the area in which the new facility or rehabilitated facility is located was designated as a neighborhood enterprise zone by the governing body of the local governmental unit in July 1996 and if the building permit was issued for that facility on or before July 3, 2001.

(e) For a new facility or a rehabilitated facility if the area in which the new facility or rehabilitated facility is located was designated as a neighborhood enterprise zone by the governing body of the local governmental unit in October 1994 and if the building permit was issued for that facility on or before April 25, 1997.

(f) For the construction of a new facility if the area in which the new facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in September 2001 and if the building permit is issued for that new facility on March 3, 2003.

(g) For a rehabilitated facility if all or a portion of the rehabilitated facility is a qualified historic building.

(h) For the construction of a new facility if the area in which the new facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in July 1993 and the new facility was a model home.

(i) For the construction of a new facility if the area in which the new facility is located is designated as a neighborhood enterprise zone by the governing body of the local governmental unit in August 2004 and if building permits were issued for that facility beginning November 5, 2002 through December 23, 2003.

(j) For a homestead facility.

(k) For the construction of a facility if the area in which the facility is located was designated as a neighborhood enterprise zone by the governing body of the local governmental unit in July 2003, and if the building permit was issued for that facility in June 2004.

(*l*) For a new facility or a rehabilitated facility if the area in which the new facility or rehabilitated facility is located was designated as a neighborhood zone by the governing body of the local governmental unit in February 2004 and if the building permit for that facility was issued in August 2003 or January 2005.

(3) The application shall contain or be accompanied by all of the following:

(a) A general description of the homestead facility, new facility, or proposed rehabilitated facility.

(b) The dimensions of the parcel on which the homestead facility, new facility, or proposed rehabilitated facility is or is to be located.

(c) The general nature and extent of the construction to be undertaken.

(d) A time schedule for undertaking and completing the rehabilitation of property or the construction of the new facility.

(e) A statement by the owner of a homestead facility that the owner is committed to investing a minimum of $500.00 in the first 3 years that the certificate for a homestead facility is in effect and committed to documenting the minimum investment if required to do so by the assessor of the local governmental unit.

(f) Any other information required by the local governmental unit.

(4) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (2)(c), the effective date of the certificate shall be the first day of the tax year following the year the certificate is approved by the commission.

(5) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (2)(d) or the amendatory act that added subsection (2)(e), the effective date of the certificate shall be January 1, 2001.

(6) Notwithstanding any other provisions of this act, for any certificate issued as a result of the enactment of the amendatory act that added subsection (2)(j) or the amendatory act that added subsection (2)(k), the effective date of the certificate shall be the first day of the tax year following the year the certificate is approved by the commission.

(7) For a certificate issued as a result of the amendatory act that added subsection (2)(e), both of the following shall apply not withstanding any other provision of this act:

(a) The effective date of the certificate shall be January 1, 2001 and the taxable value for rehabilitated facilities shall be set as provided in section 10(3).

(b) For certificates issued or reissued after December 31, 2005, the amount of the neighborhood enterprise zone tax on a rehabilitated facility is determined each year by multiplying the taxable value of the rehabilitated facility, not including the land, as of December 31 of the year prior to the start of the improvement as described in subsection (3) by the total mills collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, for the current year by all taxing units within which the rehabilitated facility is located.

(8) For any certificate issued as result of the amendatory act that added subsection (2)(*l*), notwithstanding any other provision of this act the amount of the neighborhood enterprise zone tax on a rehabilitated facility is determined each year by multiplying the taxable value of the rehabilitated facility, not including the land, as of December 31 of the year prior to the start of the improvement as described in subsection (3) by the total mills collected under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, for the current year by all taxing units within which the rehabilitated facility is located.

(9) If a new facility is completed in a neighborhood enterprise zone approved in October 1996 and a building permit was issued in March 1998 but a neighborhood enterprise zone certificate was not applied for by the original owner occupying the facility as a principal residence, a subsequent owner occupying the new facility as a principal residence can request and, notwithstanding any other provision of this act, effective December 31 of the year preceding the application, be granted a neighborhood enterprise zone certificate for the remainder of the term, not to exceed 12 years, that a neighborhood enterprise zone certificate would have been in effect for the original owner of the new facility.

207.782 Duration of certificate.

Sec. 12. (1) Except as otherwise provided in this section, unless earlier revoked as provided in section 11, a neighborhood enterprise zone certificate issued before January 1, 2006 shall remain in effect for 6 to 12 years and a neighborhood enterprise zone certificate issued after December 31, 2005 shall remain in effect for 6 to 15 years from the effective

date of the certificate as determined by the governing body of the local governmental unit. The governing body of a local governmental unit that issued a neighborhood enterprise zone certificate for a new facility or a rehabilitated facility before January 1, 2006 may extend the certificate for an additional 3 years if the extension is approved by resolution before the original neighborhood enterprise zone certificate expires or after the original certificate expires if the certificate expired on or after January 1, 2004 and on or before January 3, 2006. If the homestead facility, new facility, or rehabilitated facility is sold or transferred to another owner who otherwise complies with this act and, for a homestead facility or a new facility, uses the homestead facility or the new facility as a principal residence, the certificate shall remain in effect.

(2) If a rehabilitated facility was sold before December 29, 1994 and a certificate was in effect for that facility at the time of the sale, and the new owner of the rehabilitated facility otherwise complies with this act, the certificate shall be reinstated and remain in effect for the remainder of the original period described in subsection (1), unless earlier revoked under section 11.

(3) Except as provided in subsection (4), a change in ownership of a rehabilitated facility constituting all or a portion of a qualified historic building, occurring after the effective date of a neighborhood enterprise zone certificate for that rehabilitated facility, shall not affect the validity of that neighborhood enterprise zone certificate, and the certificate shall remain in effect for the period specified in this section as long as the rehabilitated facility has as its primary purpose residential housing.

(4) Unless revoked earlier as provided in section 11, a neighborhood enterprise zone certificate in effect for a rehabilitated facility constituting all or a portion of a qualified historic building shall remain in effect for 11 to 17 years from the effective date of the certificate as determined by the governing body of the local governmental unit. However, if a rehabilitated facility constituting all or a portion of a qualified historic building is not transferred or sold to a person who will own and occupy the rehabilitated facility as his or her principal residence within 6 years of the effective date of the neighborhood enterprise zone certificate, the neighborhood enterprise zone certificate is revoked.

This act is ordered to take immediate effect.
Approved January 8, 2007.
Filed with Secretary of State January 10, 2007.

[No. 662]

(HB 5966)

AN ACT to amend 1961 PA 236, entitled "An act to revise and consolidate the statutes relating to the organization and jurisdiction of the courts of this state; the powers and duties of such courts, and of the judges and other officers thereof; the forms and attributes of civil claims and actions; the time within which civil actions and proceedings may be brought in said courts; pleading, evidence, practice and procedure in civil and criminal actions and proceedings in said courts; to provide remedies and penalties for the violation of certain provisions of this act; to repeal all acts and parts of acts inconsistent with or contravening any of the provisions of this act; and to repeal acts and parts of acts," by amending section 2567a (MCL 600.2567a), as amended by 2002 PA 700.