

SENATE BILL No. 331

May 28, 1987, Introduced by Senators POSTHUMUS, EHLERS and SHINKLE
and referred to the Committee on State Affairs, Tourism, and
Transportation.

A bill to amend section 8 of Act No. 196 of the Public Acts
of 1986, entitled
"Public transportation authority act,"
being section 124.458 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 8 of Act No. 196 of the Public Acts of
2 1986, being section 124.458 of the Michigan Compiled Laws, is
3 amended to read as follows:

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

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

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

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

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

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

20 (b) A petition is filed within 60 days prior to the elec-
21 tion, with the clerk of the entity presenting the question, bear-
22 ing the signatures of at least 20% of the number of votes cast in
23 the political subdivision or portion of a city, village, or town-
24 ship for all candidates for governor in the last general election
25 in which a governor was elected, ~~which shall require~~ THAT
26 REQUIRES the governing body of the entity by resolution to submit

1 the question to its electors at the next general or special
2 election.

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

5 Shall _____ (township, village, city, or other) as
6 provided by Act No. ____ of the Public Acts of ____ withdraw from
7 the authority as a member?

8 Yes _____

9 No _____

10 (d) All ballots are cast, canvassed, and the results of the
11 election certified in the same manner as ballots on any other
12 question submitted to the electors of the political entity seek-
13 ing withdrawal pursuant to the Michigan election law, Act No. 116
14 of the Public Acts of 1954, being sections 168.1 to 168.992 of
15 the Michigan Compiled Laws.

16 (e) Payment or the provision for payment is made regarding
17 all obligations of the political subdivision to the public
18 authority or its creditors. If withdrawal is approved by a
19 majority of the electors voting on the question, the decision
20 will take effect at the expiration date of the tax and neither
21 the authority nor officials of the political subdivision shall
22 have ~~any~~ A right to appeal or amend this decision.

23 (3) ~~Any~~ A tax authorized to be levied by a public author-
24 ity within the boundaries of the political subdivision or the
25 portion of a political subdivision to be released shall continue
26 to be levied for the period of time originally authorized and
27 shall be paid over to the public authority originally authorized

1 to be the recipient of the tax revenue. A political subdivision
2 or portion of a political subdivision ~~which~~ THAT has been
3 released from an authority shall continue to receive transporta-
4 tion services from the authority until the political subdivision
5 or portion of the political subdivision is no longer required to
6 pay a tax levied by the authority.

7 (4) Release of a political subdivision from a public author-
8 ity shall be evidenced by an amendment to the articles of incor-
9 poration executed by the recording officer of a public authority
10 and filed and published in the same manner as the original arti-
11 cles of incorporation.

12 (5) A political subdivision or other entity ~~which~~ THAT is
13 part of a public authority under this act may withdraw from the
14 public authority until the expiration of the thirtieth day fol-
15 lowing the date the public authority is incorporated, OR UNTIL
16 THE EXPIRATION OF 30 DAYS AFTER THE DATE FOLLOWING ORGANIZATION
17 OF THE PUBLIC AUTHORITY AT WHICH THE BOARD OF THE PUBLIC AUTHOR-
18 ITY ADOPTS A RESOLUTION CALLING FOR AN ELECTION FOR THE PURPOSE
19 OF LEVYING A TAX PURSUANT TO SECTION 18, without meeting any of
20 the conditions listed in subsection (1) or (2). If all or a por-
21 tion of a city, village, or township is part of an authority
22 incorporating as a public authority under this act, the city,
23 village, or township may also decide to only withdraw a portion
24 of the entity bounded by the lines described in section 4 from
25 the public authority under the deadline established in this
26 subsection. In addition, a political subdivision or other entity
27 ~~which~~ THAT is part of a public authority under this act may

1 withdraw from the public authority in any year in which a tax
2 authorized to be levied under this act expires, without meeting
3 any of the conditions listed in subsection (1) or (2), if the
4 political subdivision or entity makes the determination to with-
5 draw by a vote of its legislative body held in January of that
6 year. Further, if all or a portion of a city, village, or town-
7 ship is part of an authority incorporating as a public authority
8 under this act, the city, village, or township may also decide to
9 only withdraw a portion of the entity bounded by the lines
10 described in section 4 from the public authority in that same
11 January. However, ~~any~~ A tax ~~which~~ THAT is authorized to be
12 levied in a political subdivision or portion of a political sub-
13 division by a public authority under this act shall continue to
14 be levied in a political subdivision ~~which~~ THAT withdraws pur-
15 suant to this subsection for the period of time originally
16 authorized. A political subdivision ~~which~~ THAT withdraws from
17 the authority shall continue to receive public transportation
18 services from the authority until the political subdivision or
19 portion of the political subdivision is no longer required to pay
20 a tax levied by the authority.