

# SENATE BILL NO. 136

March 02, 2023, Introduced by Senators SANTANA, MCMORROW, CAVANAGH, SHINK, WOJNO, CHERRY, GEISS, POLEHANKI, KLINEFELT, HERTEL and MOSS and referred to the Committee on Finance, Insurance, and Consumer Protection.

An act to provide for the establishment of history museum authorities; to provide for the powers and duties of a history museum authority; to authorize the levy and collection of a property tax by a history museum authority; and to provide for the powers and duties of certain state and local governmental officers and entities.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. This act may be cited as the "history museum  
2 authorities act".

3           Sec. 3. As used in this act:

4           (a) "Articles" means the articles of incorporation of an

1 authority.

2 (b) "Authority" means a history museum authority established  
3 under section 5.

4 (c) "Board" means the board of directors of an authority.

5 (d) "Electors of the authority" means the qualified and  
6 registered electors of a county.

7 (e) "History museum" means a historical museum whose primary  
8 collection and facility, at the date an authority is established,  
9 are owned by a city with a population of over 500,000.

10 (f) "History museum services" means operating or supporting a  
11 history museum.

12 (g) "History museum services provider" means a nonprofit  
13 entity qualified under section 501(c)(3) of the internal revenue  
14 code, 26 USC 501, that, as its primary purpose, provides history  
15 museum services to a history museum.

16 Sec. 5. (1) Any county may form a history museum authority.

17 (2) A history museum authority is an authority under section 6  
18 of article IX of the state constitution of 1963. A history museum  
19 authority is a public corporate body with the power to sue and be  
20 sued in any court of this state.

21 (3) A history museum authority possesses all the powers  
22 necessary for carrying out the purposes of its formation. The  
23 enumeration of specific powers in this act must not be construed as  
24 a limitation on the general powers of an authority, consistent with  
25 its articles.

26 (4) An authority shall not obtain an interest in real property  
27 or participate in the governance of a history museum.

28 Sec. 7. (1) To initiate the establishment of an authority,  
29 articles of incorporation must be prepared by a majority of the

1 members of the county board of commissioners of the county  
2 establishing the authority. The articles of incorporation must  
3 include all of the following:

4 (a) The name of the authority.

5 (b) The size of the board of the authority, which must be  
6 composed of an odd number of members and must not exceed 15  
7 members; the qualifications and terms of office of board members;  
8 the manner of appointing the members of the board of the authority;  
9 and the filling of vacancies in the office of board member.

10 (c) The purpose of the authority.

11 (d) The method of dissolution of the authority.

12 (e) Any other matters considered advisable.

13 (2) The articles must be adopted and may be amended by an  
14 affirmative vote of a majority of the members of the county board  
15 of commissioners of the county establishing the authority.

16 (3) Before the proposed articles or amendments to the articles  
17 are adopted, the proposed articles or amendments must be published  
18 not less than once in a newspaper generally circulated within the  
19 county. The adoption of proposed articles or amendments by the  
20 county must be evidenced by an endorsement on the articles or  
21 amendments by the clerk of the county.

22 (4) Upon adoption of the articles or amendments to the  
23 articles by the county, a printed copy of the articles or the  
24 amended articles must be filed with the secretary of state by the  
25 clerk of the county.

26 (5) The authority's articles of incorporation, or amendments  
27 to the articles, take effect when filed with the secretary of  
28 state.

29 Sec. 9. (1) A vacancy occurs on the board if any of the events

1 described in section 3 of 1846 RS 15, MCL 201.3, occur. Members of  
2 the board may be removed by the county board of commissioners for  
3 good cause after a public hearing. Vacancies must be filled in the  
4 manner as provided for in the authority's articles of  
5 incorporation.

6 (2) A majority of the members of the board constitute a quorum  
7 for the purpose of conducting business and exercising the powers of  
8 an authority. Official action may be taken by an authority on the  
9 vote of a majority of the board members present, unless the  
10 authority adopts bylaws requiring a larger number.

11 (3) A member of the board shall not receive compensation for  
12 services as a member of the board but is entitled to reimbursement  
13 for reasonable expenses, including expenses for travel previously  
14 authorized by the board, incurred in the discharge of the member's  
15 duties.

16 (4) The business that an authority may perform must be  
17 conducted at a public meeting of the authority held in compliance  
18 with the open meetings act, 1976 PA 267, MCL 15.261 to 15.275.  
19 Public notice of the time, date, and place of the meeting must be  
20 given in the manner required by the open meetings act, 1976 PA 267,  
21 MCL 15.261 to 15.275.

22 (5) A writing prepared, owned, or used by an authority in the  
23 performance of an official function must be made available in  
24 compliance with the freedom of information act, 1976 PA 442, MCL  
25 15.231 to 15.246.

26 (6) At its first meeting, a board shall elect a chairperson, a  
27 secretary, a treasurer, and any other officers it considers  
28 necessary.

29 (7) A board may adopt bylaws to govern its procedures.

1           Sec. 11. (1) An authority may do 1 or more of the following:

2           (a) Subject to subsection (2), provide funding pursuant to a  
3 contract with 1 or more history museum services providers to  
4 support the provision of history museum services.

5           (b) Levy a tax as provided in section 17.

6           (c) Enter into contracts incidental or necessary for the  
7 accomplishment of this act.

8           (d) Contract for or retain professional services.

9           (2) If the authority contracts with more than 1 history museum  
10 services provider, the authority must obtain a memorandum of  
11 understanding between the history museum services providers and  
12 distribute the revenue received from the tax levy under section 17  
13 pursuant to the memorandum of understanding.

14           Sec. 13. Before a vote for a tax levy under section 17 occurs  
15 or, if an initial history museum services provider is replaced,  
16 before any funds are transferred under section 25 to a replacement  
17 history museum services provider, the history museum services  
18 provider must enter into a contract with the authority requiring  
19 the history museum services provider to use the funds received from  
20 the authority exclusively to support the provision of history  
21 museum services to a history museum.

22           Sec. 15. If a majority of electors in the county voting on the  
23 question of a tax as provided in section 17 approve the tax, the  
24 contract as provided in section 13 must require the history museum  
25 services provider to offer or to exercise its best efforts to cause  
26 the history museum to offer preferences or benefits for the  
27 residents of the county.

28           Sec. 17. (1) An authority may levy a tax of not more than 0.4  
29 mill for a period of not more than 20 years on all of the taxable

1 property within the county for the purpose of providing revenue to  
2 1 or more history museum services providers that will be used  
3 exclusively for the benefit of 1 or more history museums with  
4 respect to which the history museum services providers render  
5 services. The authority may levy the tax only if a majority of the  
6 electors in the county voting on the tax at an election held on a  
7 regular election date as provided in section 641(1) of the Michigan  
8 election law, 1954 PA 116, MCL 168.641, approve the tax. The  
9 proposal for a tax must be submitted to a vote of the electors of  
10 the authority by resolution of the board.

11 (2) A ballot proposal for a tax must comply with the  
12 requirements of section 24f of the general property tax act, 1893  
13 PA 206, MCL 211.24f. A proposal for a tax must not be placed on the  
14 ballot unless the proposal is adopted by a resolution of the board  
15 and certified by the board not later than 60 days before the  
16 election to the county clerk of the county for inclusion on the  
17 ballot. The proposal must be certified for inclusion on the ballot  
18 at the next eligible election, as specified by the board's  
19 resolution.

20 (3) If a majority of the electors in the county voting on the  
21 question of a tax approve the proposal as provided under subsection  
22 (1), the tax levy is authorized. Not more than 2 elections may be  
23 held in a calendar year on a proposal for a tax authorized under  
24 this act.

25 Sec. 19. (1) The county election commission of the county  
26 shall provide ballots for an election for a tax under section 17.

27 (2) An election for a tax must be conducted by the city and  
28 township clerks and election officials of the municipalities  
29 located within the county.

1           Sec. 21. (1) If an election for a tax under section 17 is to  
2 be held in conjunction with a general election or a state primary  
3 election, the notices of close of registration and election must be  
4 published as provided for by the state election laws. Otherwise,  
5 the county clerk of the county shall publish the notices of close  
6 of registration and election. The notice of close of registration  
7 must include the ballot language of the proposal.

8           (2) The results of an election for a tax must be canvassed by  
9 the board of county canvassers of the county. The board of county  
10 canvassers of the county shall make the final canvass of an  
11 election for a tax based on the returns of the election inspectors  
12 of the municipalities in that county. The board of county  
13 canvassers of the county shall certify the results of the election  
14 to the board of the authority.

15           Sec. 23. A tax authorized to be levied by an authority under  
16 this act must be levied and collected at the same time and in the  
17 same manner as provided by the general property tax act, 1893 PA  
18 206, MCL 211.1 to 211.155.

19           Sec. 25. Within 10 business days after the receipt of the  
20 funds from the local property tax collecting unit for the tax  
21 levied under this act, the authority shall transfer the funds, less  
22 the amount necessary to fund the payment of obligations incurred by  
23 the authority in accordance with this act, to the history museum  
24 services provider.

25           Sec. 27. (1) If a majority of the electors in the county  
26 voting on the question of a tax as provided in section 17 approve  
27 the tax, the county clerk of the county shall charge the authority  
28 and the authority shall reimburse the county for the actual costs  
29 the county incurs in the election for the tax under section 17.

1           (2) If a municipality conducts the election and a majority of  
2 the electors in the county voting on the question of a tax as  
3 provided in section 17 approve the tax, the clerk of that  
4 municipality shall charge the authority and the authority shall  
5 reimburse the municipality for the actual costs the municipality  
6 incurs in conducting the election if the election is not held in  
7 conjunction with a regularly scheduled election in that  
8 municipality.

9           (3) If a majority of the electors in the county voting on the  
10 question of a tax as provided in section 17 approve the tax, in  
11 addition to costs reimbursed under subsection (1) or (2), a county  
12 or municipality shall charge the authority and the authority shall  
13 reimburse the county or municipality for actual costs that the  
14 county or municipality incurs that are exclusively attributable to  
15 an election for a tax authorized under this act.

16           (4) The actual costs that a county or municipality incurs must  
17 be based on the number of hours of work done in conducting the  
18 election, the rates of compensation of the workers, and the cost of  
19 materials supplied in the election.

20           Sec. 29. (1) A board shall obtain an annual audit of the  
21 authority, and report on the audit and auditing procedures, in the  
22 manner provided by sections 6 to 13 of the uniform budgeting and  
23 accounting act, 1968 PA 2, MCL 141.426 to 141.433. The audit must  
24 also be in accordance with generally accepted government auditing  
25 standards as promulgated by the United States General Accounting  
26 Office and must satisfy federal regulations relating to federal  
27 grant compliance audit requirements.

28           (2) An authority shall prepare budgets and appropriations acts  
29 in the manner provided by sections 14 to 19 of the uniform



1 budgeting and accounting act, 1968 PA 2, MCL 141.434 to 141.439.

2 (3) The state treasurer, the attorney general, a prosecuting  
3 attorney, a bank, a certified public accountant, a certified public  
4 accounting firm, or other person has the same powers, duties, and  
5 immunities with respect to the authority as provided for local  
6 units in sections 6 to 20 of the uniform budgeting and accounting  
7 act, 1968 PA 2, MCL 141.426 to 141.440.

8 (4) If an authority ends a fiscal year in a deficit condition,  
9 the authority shall file a financial plan to correct the deficit  
10 condition in the same manner as provided in section 21(2) of the  
11 Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL  
12 141.921.

13 (5) The board may authorize funds of the authority to be  
14 invested or deposited on a temporary basis before being transferred  
15 under section 25 in any investment or depository authorized under  
16 section 1 of 1943 PA 20, MCL 129.91.