(r) For each adjournment of the sale of land on the foreclosure of a mortgage by advertisement, $8.00.

(s) For serving notice of a person claiming title under a tax deed, in person and by mail, $16.00 plus mileage

(3) Mileage allowed under subsection (2) shall be computed in the same manner as provided for process served out of the circuit court under section 2559(3).

(4) Any sheriff or other officer who demands or receives any greater fees or compensation for performing any of the services mentioned in this section than as allowed by this section, shall, in addition to all other liabilities now provided by law, be liable to the party injured, for paying the illegal fees, in 3 times the amount so demanded, received, or paid, together with all costs of the action.

(5) Any sheriff or other officer who neglects or refuses any of the services required by law, after the fees specified have been tendered, shall be liable to the party injured for all damages which the party sustains by reason of that neglect or refusal.

600.6458 Court of claims; judgment against state; payment.

Sec. 6458. (1) In rendering any judgment against the state, or any department, commission, board, institution, arm, or agency, the court shall determine and specify in that judgment the department, commission, board, institution, arm, or agency from whose appropriation that judgment shall be paid.

(2) Upon any judgment against the state or any department, commission, board, institution, arm, or agency becoming final, or upon allowance of any claim by the state administrative board and upon certification by the secretary of the state administrative board to the clerk of the court of claims, the clerk of the court shall certify to the state treasurer the fact that that judgment was entered or that the claim was allowed and the claim shall thereupon be paid from the unencumbered appropriation of the department, commission, board, institution, arm, or agency if the state treasurer determines the unencumbered appropriation is sufficient for the payment. In the event that funds are not available to pay the judgment or allowed claim, the state treasurer shall instruct the clerk of the court of claims to issue a voucher against an appropriation made by the legislature for the payment of judgment claims and allowed claims. In the event that funds are not available to pay the judgment or allowed claim, that fact, together with the name of the claimant, date of judgment, date of allowance of claim by the state administrative board and amount shall be reported to the legislature at its next session, and the judgment or allowed claim shall be paid as soon as money is available for that purpose. The clerk shall not certify any judgment to the state treasurer until the period for appeal from that judgment shall have expired, unless written stipulation between the attorney general and the claimant or his or her attorney, waiving any right of appeal or new trial, is filed with the clerk of the court.

(3) The clerk shall approve vouchers under the direction of the court for the payment of the several judgments rendered by the court. All warrants issued in satisfaction of those judgments shall be transmitted to the clerk for distribution; and all warrants issued in satisfaction of claims allowed by the state administrative board shall be transmitted to the secretary of the state administrative board for distribution.

600.6461 Court of claims; clerk's report to legislature; state treasurer and budget director.

Sec. 6461. (1) At the commencement of each session of the legislature and at such other times during the session as he or she may consider proper, the clerk of the court shall report to the legislature the claims upon which the court has finally acted, with a statement of the judgment rendered in each case.

(2) The clerk shall submit a detailed statement of the amount of each claim allowed by the court to the state treasurer and the budget director.

This act is ordered to take immediate effect.
Approved June 5, 2002.
Filed with Secretary of State June 5, 2002.

[No. 430]

(SB 917)

AN ACT to amend 1907 PA 130, entitled "An act to provide for refunding to purchasers the price paid to the state on sale of land by the commissioner of the state land office, under section 131 of Act 206 of Public Acts of 1893, as amended by Act 141 of Public Acts of 1901, in cases where the land sold did not belong to the class of lands liable to sale thereunder; for cancelling the conveyance of such lands to the state and restoring the tax liens thereon in favor of the state, which were erroneously cancelled," by amending sections 1, 2, 3, and 4 (MCL 211.451, 211.452, 211.453, and 211.454).

The People of the State of Michigan enact:

211.451 Purchase price refund; conditions.

Sec. 1. Any purchaser of land from this state at any sale previously made, or that may be made, by the department of natural resources under section 131 of the general property tax act, 1893 PA 206, MCL 211.131, may petition the state treasurer for a refund of the purchase price paid for the land if the land purchased did not belong to the class of lands liable to sale by the department of natural resources.

211.452 Purchase price refund; circumstances authorizing.

Sec. 2. If shown by proof satisfactory to the state treasurer that land purchased by the petitioner in the manner set forth in section 1 was occupied by the person having the record title to the land at the time of making and recording the determination relating to the land by the state treasurer and at the time the sale was made to the petitioning purchaser, and that the purchaser never obtained possession or any beneficial use of the land and that he or she acquired no title to the land by the purchase for the reason that, on the date of the determination and the sale, the land was occupied, within the meaning of the statutes under which the sale was assumed to be made to the purchaser, or, in any case where the tax homestead deed issued by the state treasurer to this state has been held invalid by any court of competent jurisdiction in a case that was pending at the time of purchase of the land from the department of natural resources by the petitioner, the state treasurer shall cause the money paid to this state to be refunded to the purchaser, or his or her assignee, with interest on that money at 6% per annum.

211.453 Unrecorded deed; cancellation; release of recorded deed; recording.

Sec. 3. (1) If the deed executed and delivered to the petitioning purchaser by the department of natural resources on a sale is not recorded, the deed shall be delivered to the state treasurer for cancellation.

(2) If the deed has been recorded, the petitioning purchaser shall execute and deliver to the state treasurer a release of the land to this state and shall pay to the state treasurer the cost of recording the release in the office of the register of deeds of the proper county. The state treasurer shall cause the release to be so recorded.

211.454 Cancellation deed to state; certificate of error; recording; tax liens and state bids restored.

Sec. 4. (1) The state treasurer shall cancel the conveyance of the land made by the state treasurer to this state by issuing a certificate of error in the form required by law, and shall cause the certificate of error to be recorded in the office of the register of deeds of the proper county.

(2) The state treasurer shall restore the tax liens in favor of this state upon the land, which were erroneously canceled at the time of the conveyance of the land to this state by the state treasurer. The tax liens and the state bids on those tax liens shall continue and shall have the same force and validity in every respect as if the erroneous cancellation had not been made.

This act is ordered to take immediate effect.
Approved June 5, 2002.
Filed with Secretary of State June 5, 2002.

[No. 431]

(HB 5466)

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 46, 544c, 590h, and 646a (MCL 168.46, 168.544c, 168.590h, and 168.646a), section 544c as amended by 1999 PA 219, section 590h as added by 1988 PA 116, and section 646a as amended by 1990 PA 7.

The People of the State of Michigan enact:

168.46 Presidential electors; determination by board of state canvassers; certificate of election.

Sec. 46. As soon as practicable after the state board of canvassers has, by the official canvass, ascertained the result of an election as to electors of president and vice-president of the United States, the governor shall certify, under the seal of the state, to the United States secretary of state, the names and addresses of the electors of this state chosen as electors of president and vice-president of the United States. The governor shall also

transmit to each elector chosen as an elector for president and vice-president of the United States a certificate, in triplicate, under the seal of the state, of his or her election.

168.544c Nominating petition; type size; form; contents; circulation and signing; unlawful signature; false statement; misdemeanor; sanctions; applicability of section.

Sec. 544c. (1) A nominating petition shall be 8-1/2 inches by 14 inches in size. On a nominating petition, the words "nominating petition" shall be printed in 24-point boldface type. "We, the undersigned," et cetera shall be printed in 8-point type. "Warning" and language in the warning shall be printed in 12-point boldface type. The balance of the petition shall be printed in 8-point type. The name, address, and party affiliation of the candidate and the office for which petitions are signed shall be printed in type not larger than 24-point. The petition shall be in the following form:

NOMINATING PETITION
(PARTISAN)

We, the undersigned, registered and qualified voters of the city or township of
(strike 1)

..... , in the county of .....

and state of Michigan, nominate,

..... ,
(Name of Candidate)

..... ,
(Street Address or Rural Route) (City or Township)

as a candidate of the ..... party for the office of ..... ,

..... ,
(District, if any)

to be voted for at the primary election to be held on the ..... day of ..... , 20..... .

WARNING

A person who knowingly signs more petitions for the same office than there are persons to be elected to the office or signs a name other than his or her own is violating the provisions of the Michigan election law.

	Printed Name and Signature	Street Address or Rural Route	Zip Code	Date of Signing Mo.	Day	Year
1.						
2.						
3.						
4.						

numbered lines as above

CERTIFICATE OF CIRCULATOR

The undersigned circulator of the above petition asserts that he or she is qualified to circulate this petition and that each signature on the petition was signed in his or her presence; and that, to his or her best knowledge and belief, each signature is the genuine

signature of the person purporting to sign the petition, the person signing the petition was at the time of signing a qualified registered elector of the city or township listed in the heading of the petition, and the elector was qualified to sign the petition.

Circulator—Do not sign or date certificate until after circulating petition.

(Printed Name and Signature of Circulator) (Date)

(City or Township Where Registered)
[or, for petitions under section 482,
"(City or Township Where Qualified to be Registered)"]

(Complete Residence Address (Street and Number or Rural Route)

(Zip Code)

Warning-A circulator knowingly making a false statement in the above certificate, a person not a circulator who signs as a circulator, or a person who signs a name other than his or her own as circulator is guilty of a misdemeanor.

(2) The petition shall be in a form providing a space for the circulator and each elector who signs the petition to print his or her name. The secretary of state shall prescribe the location of the space for the printed name. The failure of the circulator or an elector who signs the petition to print his or her name, to print his or her name in the location prescribed by the secretary of state, or to enter a zip code or his or her correct zip code does not affect the validity of the signature of the circulator or the elector who signs the petition. A printed name located in the space prescribed for printed names does not constitute the signature of the circulator or elector.

(3) At the time of circulation, the circulator of a petition shall be a registered elector of this state. At the time of executing the certificate of circulator, the circulator shall be registered in the city or township indicated in the certificate of circulator on the petition. However, the circulator of a petition under section 482 need only be qualified to be a registered elector of this state at the time of circulation and at the time of executing the certificate of circulator.

(4) The circulator of a petition shall sign and date the certificate of circulator before the petition is filed. A circulator shall not obtain electors' signatures after the circulator has signed and dated the certificate of circulator. A filing official shall not count electors' signatures that were obtained after the date the circulator signed the certificate or that are contained in a petition that the circulator did not sign and date.

(5) Except as provided in section 544d, a petition sheet shall not be circulated in more than 1 city or township and each signer of a petition sheet shall be a registered elector of the city or township indicated in the heading of the petition sheet. The invalidity of 1 or more signatures on a petition does not affect the validity of the remainder of the signatures on the petition.

(6) An individual shall not sign more nominating petitions for the same office than there are persons to be elected to the office. An individual who violates this subsection is guilty of a misdemeanor.

(7) An individual shall not do any of the following:

(a) Sign a petition with a name other than his or her own.

(b) Make a false statement in a certificate on a petition.

(c) If not a circulator, sign a petition as a circulator.

(d) Sign a name as circulator other than his or her own.

(8) An individual who violates subsection (7) is guilty of a misdemeanor punishable by a fine of not more than $500.00 or imprisonment for not more than 93 days, or both.

(9) If after a canvass and a hearing on a petition under section 476 or 552 the board of state canvassers determines that an individual has knowingly and intentionally failed to comply with subsection (7), the board of state canvassers may impose 1 or more of the following sanctions:

(a) Disqualify obviously fraudulent signatures on a petition form on which the violation of subsection (7) occurred, without checking the signatures against local registration records.

(b) Disqualify from the ballot a candidate who committed, aided or abetted, or knowingly allowed the violation of subsection (7) on a petition to nominate that candidate.

(10) If an individual violates subsection (7) and the affected petition sheet is filed, each of the following who knew of the violation of subsection (7) before the filing of the affected petition sheet and who failed to report the violation to the secretary of state, the filing official, if different, the attorney general, a law enforcement officer, or the county prosecuting attorney is guilty of a misdemeanor, punishable by a fine of not more than $500.00 or imprisonment for not more than 1 year, or both:

(a) The circulator of the petition, if different than the individual who violated subsection (7).

(b) If the petition is a nominating petition, the candidate whose nomination is sought.

(c) If the petition is a petition for a ballot question or recall, the organization or other person sponsoring the petition drive.

(11) If after a canvass and a hearing on a petition under section 476 or 552 the board of state canvassers determines that an individual has violated subsection (10), the board of state canvassers may impose 1 or more of the following sanctions:

(a) Impose on the organization or other person sponsoring the petition drive an administrative fine of not more than $5,000.00.

(b) Charge the organization or other person sponsoring the petition drive for the costs of canvassing a petition form on which a violation of subsection (7) occurred.

(c) Disqualify an organization or other person described in subdivision (a) from collecting signatures on a petition for a period of not more than 4 years.

(d) Disqualify obviously fraudulent signatures on a petition form on which a violation of subsection (7) occurred without checking the signatures against local registration records.

(e) Disqualify from the ballot a candidate who committed, aided or abetted, or knowingly allowed a violation of subsection (7) on a petition to nominate that candidate.

(12) If an individual refuses to comply with a subpoena of the board of state canvassers in an investigation of an alleged violation of subsection (7) or (10), the board may hold the canvass of the petitions in abeyance until the individual complies.

(13) A person who aids or abets another in an act that is prohibited by this section is guilty of that act.

(14) The provisions of this section except as otherwise expressly provided apply to all petitions circulated under authority of the election law.

168.590h Qualifying petition; size; type size; form; reference to political party prohibited; prohibited conduct.

Sec. 590h. (1) A qualifying petition for a candidate without political party affiliation shall be the same size and printed in the same type sizes as required in section 544c. The petition shall be in the following form:

QUALIFYING PETITION
(CANDIDATE WITHOUT PARTY AFFILIATION)

We, the undersigned, registered and qualified electors of the city or township of
(strike 1)

..... , in the county of ..... ,

and state of Michigan, nominate

..... ,
(Name of Candidate)

..... ,
(Street Address or R.R.) (City or Township)

as a candidate without party affiliation for the office of

.....
(Title of Office and District)

in order that the name of the candidate be placed without party affiliation on the ballot for the election to be held on the ..... day of ..... , 20..... .

WARNING

Whoever knowingly signs more petitions for the same office than there are persons to be elected to the office or signs a name other than his or her own is violating the Michigan election law.

(2) The balance of the qualifying petition form shall be substantially as set forth in section 544c. A qualifying petition for a candidate without party affiliation shall not contain a reference to a political party.

(3) A person shall not knowingly sign more petitions for the same office than there are persons to be elected to the office or sign a name other than his or her own on the petition.

168.646a Election of local officers; nomination; certification; certifying ballot wording of local or county questions; applicability of section.

Sec. 646a. (1) If a local officer is to be elected at a general November election or on the first Monday of April in an odd numbered year, candidates for the local office shall be nominated in the manner provided by law or charter. If the candidates are to be nominated at a fall primary election, the primary shall be held on the same day as is provided by law for holding the county or state primary election before that election, except as provided in section 646b. If the candidates are to be elected in April, the primary shall be held on the third Monday in February. 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 above mentioned primary election or on the Saturday preceding the day of the primary election as determined by the local legislative body at least 20 days preceding 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. If a local primary election is to be held on the same day as a state or county primary election, the last day for local candidates to file nominating petitions shall be 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 or county question is to be voted on at a primary, special, or general election at which state officers are to be voted for, the ballot wording of the 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 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. For the year 2002, the certification and filing deadlines prescribed by this subsection do not apply to a local or county ballot question that is required to be placed on the ballot by state statute.

(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.

This act is ordered to take immediate effect.
Approved June 6, 2002.
Filed with Secretary of State June 6, 2002.

[No. 432]

(HB 6114)

AN ACT to amend 1909 PA 279, entitled "An act to provide for the incorporation of cities and for revising and amending their charters; to provide for certain powers and duties; to provide for the levy and collection of taxes by cities, borrowing of money, and issuance of bonds or other evidences of indebtedness; to validate actions taken, bonds issued, and obligations heretofore incurred; to prescribe penalties and provide remedies; and to repeal acts and parts of acts on specific dates," (MCL 117.1 to 117.38) by adding section 3a.

The People of the State of Michigan enact:

117.3a Abolishment of at-large city council; election of members from single-member election districts; ballot question; approval; determination of city council president; adoption of apportionment plan by commission; qualifications of candidates; rules and procedures; amendment of charter.

Sec. 3a. (1) A city that has a population of not less than 750,000 as determined by the most recent federal decennial census and that has a city council composed of 9 at-large council members shall place a question in substantially the following form on the ballot at the general primary election held on Tuesday, August 6, 2002:

> "Shall the existing 9-member at-large city council be abolished, shall the city be reapportioned into 9 single-member election districts, and shall district residency requirements be imposed on candidates for the city council?
>
> Yes (_____)
>
> No (_____).".

(2) The result of the vote shall be canvassed by the local board of canvassers under the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

(3) If the question presented pursuant to subsection (1) is approved, the 9-member at-large city council is abolished on January 1, 2006 and shall be replaced by a city council of 9 members elected from single-member election districts at regular municipal elections beginning with the municipal primary election in 2005. Any charter provision to the contrary notwithstanding, the president of the city council shall be determined by a majority vote of the city council members elected and serving from single-member election districts.

(4) Within 30 days after the question presented pursuant to subsection (1) is approved, the city redistricting commission shall meet as the apportionment commission and adopt an apportionment plan. The city redistricting commission shall consist of 3 members, 2 of whom are appointed by the mayor and 1 of whom is appointed by the city council. The city redistricting commission shall thereafter meet within 30 days after the publication of the latest official figures of the federal decennial census to reapportion the city. To the extent consistent with this act, the procedural aspects of the apportionment process shall be governed by the same statutory procedures as those provided for a county charter commission apportionment pursuant to section 5(4), (5), (6), and (7) of 1966 PA 293, MCL 45.505. One of the 2 members appointed by the mayor under this subsection shall convene the city redistricting commission, sitting as the apportionment commission. As the apportionment commission, the city redistricting commission shall adopt its own rules of procedure. Two members shall constitute a quorum and all actions shall be by a majority vote.

(5) The city redistricting commission shall provide for equal representation for each single-member election district, and each single-member election district shall be as nearly equal in population and compact as is practicable based on the latest federal decennial census. In developing an apportionment plan, the city redistricting commission shall follow the lines used for planning sectors and subcommittees as provided by the city master plan and charter. In subsequent reapportionments, the city redistricting commission apportionment plan shall make only incremental changes to the single-member election district boundaries that are necessary to accommodate population change requirements. Each single-member election district shall be designated by number.

(6) Each candidate for city council shall be a resident of the single-member election district he or she seeks to represent. A city council member's office is vacated if the member moves his or her residence outside of the single-member election district that the member represents.

(7) To comply with and implement this section, the city clerk shall promulgate necessary election rules and procedures consistent with other provisions of the city charter. The city council may amend the charter to comply with the intent and findings of this section in the same manner provided by law and charter for the adoption of an ordinance. However, any charter amendment to comply with the intent and findings of this section shall take effect immediately upon adoption by the council. The city clerk shall file a copy of any charter amendment with the secretary of state and the county clerk of the county in which the city is located. Sections 21 to 25 do not apply to the charter amendment required under this section.

This act is ordered to take immediate effect.
Approved June 6, 2002.
Filed with Secretary of State June 6, 2002.

[No. 433]

(SB 422)

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 repealing sections 3520 and 3615 (MCL 600.3520 and 600.3615).

The People of the State of Michigan enact:

Repeal of §§ 600.3520 and 600.3615.

Enacting section 1. Sections 3520 and 3615 of the revised judicature act of 1961, 1961 PA 236, MCL 600.3520 and 600.3615, are repealed.

This act is ordered to take immediate effect.
Approved June 10, 2002.
Filed with Secretary of State June 10, 2002.

[No. 434]

(HB 5556)

AN ACT to amend 1994 PA 451, entitled "An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, and assessments; to provide certain appropriations; to prescribe penalties and provide remedies; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts," by amending section 48701 (MCL 324.48701), as added by 1995 PA 57.

The People of the State of Michigan enact:

324.48701 Definitions.

Sec. 48701. As used in this part:

(a) "Amphibian" means any frog, toad, or salamander of the class amphibia.

(b) "Crustacea" means any freshwater crayfish, shrimp, or prawn of the order decapoda.

(c) "Game fish" includes all of the following:

(*i*) Mackinaw or lake trout (Christivomer namaycush).

(*ii*) Brook or speckled trout (Salvelinus fontinalis).

(*iii*) Brown and Loch Leven trout (Salmo trutta).

(*iv*) Rainbow and steelhead trout (Salmo gairdnerii).

(*v*) Landlocked salmon (Salmo salar sebago).

(*vi*) Grayling (Thymallus tricolor and Thymallus montanus).

(*vii*) Largemouth black bass (Huro salmoides).

(*viii*) Smallmouth black bass (Micropterus dolomieu).

(*ix*) Bluegill (Lepomis macrochirus).

(*x*) Pumpkinseed or common sunfish (Lepomis gibbosus).

(*xi*) Black crappie and white crappie, also known as calico bass and strawberry bass (Pomoxis sparoides and pomoxis annularis).

(*xii*) Yellow perch, commonly called perch (Perca flavescens).

(*xiii*) Pike-perch, commonly called walleyed pike (Stizostedion vitreum).

(*xiv*) Northern pike, also known as grass pike or pickerel (Esox lucius).

(*xv*) Muskellunge (Esox masquinongy).

(*xvi*) Sturgeon (Acipenser fulvescens).

(*xvii*) Splake (Salvelinus namaycush x Salvelinus fontinalis).

(*xviii*) Coho salmon (Oncorhynchus kisutch).

(*xix*) Chinook (King) salmon (Oncorhynchus tshawytscha).

(*xx*) Pink salmon (Oncorhynchus gorbuscha).

(d) "Inland waters of this state" means the waters within the jurisdiction of the state except Saginaw river, Lakes Michigan, Superior, Huron, and Erie, and the bays and the connecting waters. The connecting waters between Lake Superior and Lake Huron are that part of the Straits of St. Mary in this state extending from a line drawn from Birch Point Range front light to the most westerly point of Round Island, thence following the shore of Round Island to the most northerly point thereof, thence from the most northerly point of Round Island to Point Aux Pins light, Ontario, to a line drawn due east and west from the most southerly point of Little Lime Island. The connecting waters of Lake Huron and Lake Erie are all of the St. Clair river, all of Lake St. Clair, and all of the Detroit river extending from Fort Gratiot light in Lake Huron to a line extending due east and west of the most southerly point of Celeron Island in the Detroit river.

(e) "Mollusks" means any mollusk of the classes bivalvia and gastropoda.

(f) "Nongame fish" includes all kinds of fish except game fish.

(g) "Nonresident" means a person who is not a resident.

(h) "Nontrout streams" means all streams or portions of streams other than trout streams.

(i) "Open season" means the time during which fish may be legally taken or killed and includes both the first and last day of the season or period designated by this part.

(j) "Reptiles" means any turtle, snake, or lizard of the class reptilia.

(k) "Resident" means either of the following:

(*i*) A person who resides in a settled or permanent home or domicile with the intention of remaining in this state.

(*ii*) A student who is enrolled in a full-time course at a college or university within this state.

(*l*) "Trout lake" means a lake designated by the department in which brook trout, brown trout, or rainbow trout are the predominating species of game fish found in the lake. The department may designate certain trout lakes in which certain species of fish are not desired and in which it is unlawful to use live fish of any kind for bait.

(m) "Trout stream" means any stream or portion of a stream that contains a significant population of any species of trout or salmon as determined by the department. The department shall designate not more than 212 miles of trout streams in which only lures or baits as the department prescribes may be used in fishing, and the department may prescribe the size and number of fish that may be taken from those trout streams. The department shall not restrict children under 12 years old from taking a minimum of 1 fish, except for sturgeon (Acipenser fulvescens), in any trout stream. Any trout stream in a county that includes a city with a population of 750,000 or more shall be so designated. In addition, the department shall issue an order adopting criteria for determining which trout streams should be so designated. Before the department issues the order, the department shall submit the proposed order to the commission. The commission shall receive public comment on the proposed order. The department shall consider any guidance provided by the commission on the proposed order and may make changes to the proposed order based on that guidance.

This act is ordered to take immediate effect.
Approved June 10, 2002.
Filed with Secretary of State June 10, 2002.

[No. 435]

(SB 1172)

AN ACT to amend 1945 PA 47, entitled "An act to authorize 2 or more cities, townships, and villages, or any combination of cities, townships, and villages, to incorporate a hospital authority for planning, promoting, acquiring, constructing, improving, enlarging, extending, owning, maintaining, and operating 1 or more community hospitals and related buildings or structures and related facilities; to provide for the sale, lease, or other transfer of a hospital owned by a hospital authority to a nonprofit corporation established under the laws of this state for no or nominal monetary consideration; to define hospitals and community hospitals; to provide for changes in the membership therein; to authorize the cities, townships, and villages to levy taxes for community hospital purposes; to provide for the issuance of bonds; to provide for the pledge of assessments; to provide for borrowing money for operation and maintenance and issuing notes for operation and maintenance; to validate elections heretofore held and notes heretofore issued; to validate bonds heretofore issued; to authorize condemnation proceedings; to grant certain powers of a body corporate; to validate and ratify the organization, existence, and membership of entities acting as hospital authorities under the act and the actions taken by hospital authorities and by the members of the hospital authorities; and to prescribe penalties and provide remedies," by amending sections 8 and 8a (MCL 331.8 and 331.8a), section 8a as amended by 1980 PA 104; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

331.8 Bonds; issuance; purpose; liability; payment; sale; interest rate; bonds subject to revised municipal finance act.

Sec. 8. (1) The hospital authority board may issue self-liquidating bonds of the authority in accordance with the provisions of this act, for the purpose of acquiring, purchasing,

constructing, improving, enlarging, or repairing community hospitals or refunding any outstanding bonds previously issued or for the joint purposes of refunding any outstanding bonds together with the issuance of additional bonds for any of the other purposes authorized. The bonds shall not impose any liability upon the cities, villages, and townships included in the hospital authority, other than on the amounts that are assessed against the respective municipalities as provided for in this act, which amounts or any portion of those amounts may be pledged by the governing body of the hospital authority for the payment of the bonds for a period not exceeding 40 years. The amount required to be paid by any municipality under this act shall be considered to be a part of the revenues of the hospital authority and shall be first used to meet the current requirements for the bond and interest redemption fund, including the reserve requirements, for outstanding obligations of the hospital authority. The bonds shall be sold for not less than par and shall bear interest at a rate not in excess of the maximum rate permitted by the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(2) Bonds issued for capital improvements under section 8b and bonds issued under this act that are supported by a pledge of the governing body for payment are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(3) Except as otherwise provided in subsections (1) and (2), bonds issued under this act are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

331.8a Borrowing money and issuing notes; purpose; resolution; maturity; validation of notes previously issued; bonds and notes subject to agency financing reporting act.

Sec. 8a. (1) The hospital board operating a community hospital under this act may, by a resolution adopted by a majority vote of the entire governing board, borrow money and issue notes, which shall mature not more than 1 year from the date of their issuance, for the purpose of meeting current expenses of operation and maintenance of the hospital. The resolution shall provide for the pledging of income and revenues of the hospital authority for the payment of the notes, and shall also provide for a special sinking fund into which there shall first be paid, as collected, a sufficient sum from the revenues of the hospital authority pledges to retire both the principal and interest of the notes at maturity. The resolution may also provide for the pledging of other assets of the hospital authority as additional security for the payment of the notes. Notes issued under this section and amounts assessed under section 8m are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. Any notes issued by a hospital authority before the effective date of this act or an amendment to this act are hereby validated, ratified, and confirmed as though the notes and the proceedings relating to their issuance had been fully authorized by statutes existing at the time of their issuance.

(2) Except for the bonds described in section 8(2), the issuance of bonds and notes under this act is subject to the agency financing reporting act.

Repeal of § 331.8q.

Enacting section 1. Section 8q of 1945 PA 47, MCL 331.8q, is repealed.

This act is ordered to take immediate effect.
Approved June 10, 2002.
Filed with Secretary of State June 10, 2002.

[No. 436]

(SB 1173)

AN ACT to amend 1969 PA 38, entitled "An act to create a state hospital finance authority to lend money to nonprofit hospitals and nonprofit health care providers for capital improvements or to refinance hospital, health care, and certain retirement housing indebtedness; to provide for the incorporation of local hospital authorities with power to lend money to nonprofit hospitals and nonprofit health care providers for hospital and health care indebtedness or to refinance hospital, health care, and certain retirement housing indebtedness; to construct, acquire, reconstruct, remodel, improve, add to, enlarge, repair, own, lease, and sell hospital and health care facilities; to finance outstanding hospital, health care, and certain retirement housing indebtedness; to authorize the authorities to borrow money and issue obligations to accomplish the purposes of this act, including the refunding or advance refunding of obligations issued by certain entities; to permit the authorities to enter into loans, contracts, leases, mortgages, and security agreements which may include provisions for the appointment of receivers; to exempt obligations and property of the authorities from taxation; and to provide other rights, powers, and duties of the authorities," by amending sections 12 and 42 (MCL 331.42 and 331.72), section 12 as amended by 1994 PA 428 and section 42 as amended by 1992 PA 302; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

331.42 Powers of state authority.

Sec. 12. The state authority has the powers necessary to carry out and effectuate the purposes of this act, including, but not limited to, all of the following:

(a) To sue and be sued, to have a seal and authority to alter that seal at pleasure, to have perpetual succession, to make, execute, and deliver contracts, conveyances, and other instruments necessary or convenient to the exercise of its powers, and to make and amend bylaws.

(b) To solicit and accept gifts, grants, loans, and other aids from any person, corporation, or governmental agency.

(c) To make loans, to participate in the making of loans, to undertake commitments, to make loans and mortgages, to sell loans and mortgages at public or private sale, to modify or alter loans and mortgages, to discharge loans and mortgages, to foreclose on a mortgage or commence an action to protect or enforce a right conferred upon the state authority by a law, mortgage, loan, contract, or other agreement, to bid for and purchase property that was the subject of a mortgage at a foreclosure or at any other sale and to acquire or take possession of that property, to complete, administer, pay the principal and interest on any obligations incurred in connection with acquired property, and to dispose of and otherwise deal with the property in a manner necessary or desirable to protect the interests of the state authority in the property. The loans made by the authority may be secured or unsecured, as the authority determines.

(d) To loan money to hospitals for the purpose of refinancing any outstanding indebtedness of a hospital if the state authority determines the refinancing is necessary to realize the objectives and purposes of this act. A hospital loan made pursuant to this subdivision shall not exceed the amount of the principal, interest, and redemption premium, if any, of the indebtedness to be refinanced that has not been repaid, plus the marketing, financing, legal, and other costs incurred in connection with the refinancing and the issuance of bonds of the state authority issued in whole or in part to provide funds to make the

hospital loan described in this subdivision, including the costs of funding a bond reserve and paying capitalized interest on the bonds for a period not to exceed 1 year after the issuance of the bonds. The determination of the state authority under this subdivision is conclusive except with respect to the approval of the municipal finance commission or its successor agency when prior approval is required.

(e) To charge, impose, and collect fees and charges in connection with its loans, commitments, and servicing including reimbursement of costs of financing by the authority, service charges, insurance premiums, and an allocable share of the operating expenses of the authority and to make provision for increasing those fees and charges, if necessary, as the state authority determines is reasonable and approved by the state authority.

(f) To acquire, hold, and dispose of real or personal property convenient for the accomplishment of the purpose of this act.

(g) To procure insurance against a loss in connection with its property, assets, or activities.

(h) To borrow money and issue its bonds or notes for the money and provide for the rights of the holders of the bonds or notes and to secure the bonds by mortgage, assignment, or pledge of any or all of its properties including any part of the security for its hospital loans. The state shall not be liable on any bonds of the state authority, the bonds and notes are not a debt of the state, and each bond and note shall contain on its face a statement to that effect.

(i) To invest any funds not required for immediate use or disbursement, at its discretion, in any of the following:

(*i*) Obligations of this state, the United States, or an agency of the United States.

(*ii*) Obligations the principal and interest of which are guaranteed by this state or the United States.

(*iii*) Certificates of deposit of a bank that is a member of the federal reserve system.

(*iv*) Certificates of deposit of a savings and loan association that is a member of the federal home loan bank system.

(*v*) Commercial paper that is rated at the time of purchase within the 2 highest classifications established by not less than 2 national rating services and that matures not more than 270 days after the date of purchase.

(*vi*) In United States government or federal agency obligation repurchase agreements.

(*vii*) In bankers' acceptances of United States banks.

(*viii*) In mutual funds composed of investment vehicles that are legal for direct investment by the state authority.

(*ix*) Subject to the approval of the state treasurer, obligations specified by the state authority in a contract with the holders of its bonds or notes.

(j) To engage necessary personnel and to engage the services of private consultants for rendering professional and technical assistance and advice.

(k) To promulgate rules necessary to carry out the purposes of this act and to exercise the powers expressly granted in this act pursuant to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(*l*) To enter into interest rate exchanges or swaps, hedges, or similar agreements with respect to its bonds or notes in the same manner and subject to the same limitations and conditions as provided for a municipality in the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

331.72 Bonds and notes; authorization; type; payment; interest; denominations; form; registration privileges; execution; redemption; sale; revised municipal finance act inapplicable; bonds and notes subject to agency financing reporting act.

Sec. 42. (1) The notes and bonds authorized by the state authority or local authority shall be authorized by resolution adopted by a majority vote of the members of the authority. The notes and bonds shall be serial bonds, term bonds, or term and serial bonds and shall bear a date and mature at a time, not exceeding 50 years from the date of issue, as the resolution provides. The notes and bonds shall bear interest at the rate or rates as may be set, reset, or calculated from time to time or may bear no interest as provided in the resolution. The notes and bonds shall be in denominations, be in a form, either coupon or registered or both, carry registration privileges, be executed in a manner, be payable in a medium of payment, at a place or places and, at the times, and be subject to the terms of redemption as the resolution provides. The notes and bonds of the authority may be sold by the authority, at public or private sale, at a price or prices as the authority determines. The bonds may be sold at a discount. The bonds shall not be sold at a price that would make the interest costs on the money borrowed exceed 10% or the maximum interest permitted by the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, whichever is greater. Except as otherwise provided in this act, bonds and notes issued under this act are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(2) The issuance of bonds and notes under this act is subject to the agency financing reporting act.

Repeal of § 331.76.

Enacting section 1. Section 46 of the hospital finance authority act, 1969 PA 38, MCL 331.76, is repealed.

This act is ordered to take immediate effect.
Approved June 10, 2002.
Filed with Secretary of State June 10, 2002.

[No. 437]

(HB 4874)

AN ACT to amend 1976 PA 442, entitled "An act to provide for public access to certain public records of public bodies; to permit certain fees; to prescribe the powers and duties of certain public officers and public bodies; to provide remedies and penalties; and to repeal certain acts and parts of acts," by amending section 13 (MCL 15.243), as amended by 2002 PA 130.

The People of the State of Michigan enact:

15.243 Exemptions from disclosure; public body as school district or public school academy; withholding of information required by law or in possession of executive office.

Sec. 13. (1) A public body may exempt from disclosure as a public record under this act any of the following:

(a) Information of a personal nature if public disclosure of the information would constitute a clearly unwarranted invasion of an individual's privacy.

(b) Investigating records compiled for law enforcement purposes, but only to the extent that disclosure as a public record would do any of the following:

(*i*) Interfere with law enforcement proceedings.

(*ii*) Deprive a person of the right to a fair trial or impartial administrative adjudication.

(*iii*) Constitute an unwarranted invasion of personal privacy.

(*iv*) Disclose the identity of a confidential source, or if the record is compiled by a law enforcement agency in the course of a criminal investigation, disclose confidential information furnished only by a confidential source.

(*v*) Disclose law enforcement investigative techniques or procedures.

(*vi*) Endanger the life or physical safety of law enforcement personnel.

(c) A public record that if disclosed would prejudice a public body's ability to maintain the physical security of custodial or penal institutions occupied by persons arrested or convicted of a crime or admitted because of a mental disability, unless the public interest in disclosure under this act outweighs the public interest in nondisclosure.

(d) Records or information specifically described and exempted from disclosure by statute.

(e) A public record or information described in this section that is furnished by the public body originally compiling, preparing, or receiving the record or information to a public officer or public body in connection with the performance of the duties of that public officer or public body, if the considerations originally giving rise to the exempt nature of the public record remain applicable.

(f) Trade secrets or commercial or financial information voluntarily provided to an agency for use in developing governmental policy if:

(*i*) The information is submitted upon a promise of confidentiality by the public body.

(*ii*) The promise of confidentiality is authorized by the chief administrative officer of the public body or by an elected official at the time the promise is made.

(*iii*) A description of the information is recorded by the public body within a reasonable time after it has been submitted, maintained in a central place within the public body, and made available to a person upon request. This subdivision does not apply to information submitted as required by law or as a condition of receiving a governmental contract, license, or other benefit.

(g) Information or records subject to the attorney-client privilege.

(h) Information or records subject to the physician-patient privilege, the psychologist-patient privilege, the minister, priest, or Christian Science practitioner privilege, or other privilege recognized by statute or court rule.

(i) A bid or proposal by a person to enter into a contract or agreement, until the time for the public opening of bids or proposals, or if a public opening is not to be conducted, until the deadline for submission of bids or proposals has expired.

(j) Appraisals of real property to be acquired by the public body until either of the following occurs:

(*i*) An agreement is entered into.

(*ii*) Three years have elapsed since the making of the appraisal, unless litigation relative to the acquisition has not yet terminated.

(k) Test questions and answers, scoring keys, and other examination instruments or data used to administer a license, public employment, or academic examination, unless the public interest in disclosure under this act outweighs the public interest in nondisclosure.

(*l*) Medical, counseling, or psychological facts or evaluations concerning an individual if the individual's identity would be revealed by a disclosure of those facts or evaluation.

(m) Communications and notes within a public body or between public bodies of an advisory nature to the extent that they cover other than purely factual materials and are preliminary to a final agency determination of policy or action. This exemption does not apply unless the public body shows that in the particular instance the public interest in encouraging frank communication between officials and employees of public bodies clearly outweighs the public interest in disclosure. This exemption does not constitute an exemption under state law for purposes of section 8(h) of the open meetings act, 1976 PA 267, MCL 15.268. As used in this subdivision, "determination of policy or action" includes a determination relating to collective bargaining, unless the public record is otherwise required to be made available under 1947 PA 336, MCL 423.201 to 423.217.

(n) Records of law enforcement communication codes, or plans for deployment of law enforcement personnel, that if disclosed would prejudice a public body's ability to protect the public safety unless the public interest in disclosure under this act outweighs the public interest in nondisclosure in the particular instance.

(o) Information that would reveal the exact location of archaeological sites. The department of history, arts, and libraries may promulgate rules in accordance with the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328, to provide for the disclosure of the location of archaeological sites for purposes relating to the preservation or scientific examination of sites.

(p) Testing data developed by a public body in determining whether bidders' products meet the specifications for purchase of those products by the public body, if disclosure of the data would reveal that only 1 bidder has met the specifications. This subdivision does not apply after 1 year has elapsed from the time the public body completes the testing.

(q) Academic transcripts of an institution of higher education established under section 5, 6, or 7 of article VIII of the state constitution of 1963, if the transcript pertains to a student who is delinquent in the payment of financial obligations to the institution.

(r) Records of a campaign committee including a committee that receives money from a state campaign fund.

(s) Unless the public interest in disclosure outweighs the public interest in nondisclosure in the particular instance, public records of a law enforcement agency, the release of which would do any of the following:

(*i*) Identify or provide a means of identifying an informant.

(*ii*) Identify or provide a means of identifying a law enforcement undercover officer or agent or a plain clothes officer as a law enforcement officer or agent.

(*iii*) Disclose the personal address or telephone number of active or retired law enforcement officers or agents or a special skill that they may have.

(*iv*) Disclose the name, address, or telephone numbers of family members, relatives, children, or parents of active or retired law enforcement officers or agents.

(*v*) Disclose operational instructions for law enforcement officers or agents.

(*vi*) Reveal the contents of staff manuals provided for law enforcement officers or agents.

(*vii*) Endanger the life or safety of law enforcement officers or agents or their families, relatives, children, parents, or those who furnish information to law enforcement departments or agencies.

(*viii*) Identify or provide a means of identifying a person as a law enforcement officer, agent, or informant.

(*ix*) Disclose personnel records of law enforcement agencies.

(*x*) Identify or provide a means of identifying residences that law enforcement agencies are requested to check in the absence of their owners or tenants.

(t) Except as otherwise provided in this subdivision, records and information pertaining to an investigation or a compliance conference conducted by the department of consumer and industry services under article 15 of the public health code, 1978 PA 368, MCL 333.16101 to 333.18838, before a complaint is issued. This subdivision does not apply to records or information pertaining to 1 or more of the following:

(*i*) The fact that an allegation has been received and an investigation is being conducted, and the date the allegation was received.

(*ii*) The fact that an allegation was received by the department of consumer and industry services; the fact that the department of consumer and industry services did not issue a complaint for the allegation; and the fact that the allegation was dismissed.

(u) Records of a public body's security measures, including security plans, security codes and combinations, passwords, passes, keys, and security procedures, to the extent that the records relate to the ongoing security of the public body.

(v) Records or information relating to a civil action in which the requesting party and the public body are parties.

(w) Information or records that would disclose the social security number of an individual.

(x) Except as otherwise provided in this subdivision, an application for the position of president of an institution of higher education established under section 4, 5, or 6 of article VIII of the state constitution of 1963, materials submitted with such an application, letters of recommendation or references concerning an applicant, and records or information relating to the process of searching for and selecting an individual for a position described in this subdivision, if the records or information could be used to identify a candidate for the position. However, after 1 or more individuals have been identified as finalists for a position described in this subdivision, this subdivision does not apply to a public record described in this subdivision, except a letter of recommendation or reference, to the extent that the public record relates to an individual identified as a finalist for the position.

(y) Records or information of measures designed to protect the security or safety of persons or property, whether public or private, including, but not limited to, building, public works, and public water supply designs to the extent that those designs relate to the ongoing security measures of a public body, capabilities and plans for responding to a violation of the Michigan anti-terrorism act, chapter LXXXIII-A of the Michigan penal code, 1931 PA 328, MCL 750.543a to 750.543z, emergency response plans, risk planning documents, threat assessments, and domestic preparedness strategies, unless disclosure would not impair a public body's ability to protect the security or safety of persons or property or unless the public interest in disclosure outweighs the public interest in nondisclosure in the particular instance.

(2) A public body shall exempt from disclosure information that, if released, would prevent the public body from complying with section 444 of subpart 4 of part C of the general education provisions act, title IV of Public Law 90-247, 20 U.S.C. 1232g, commonly referred to as the family educational rights and privacy act of 1974. A public body that is a local or intermediate school district or a public school academy shall exempt from disclosure directory information, as defined by section 444 of subpart 4 of part C of the

general education provisions act, title IV of Public Law 90-247, 20 U.S.C. 1232g, commonly referred to as the family educational rights and privacy act of 1974, requested for the purpose of surveys, marketing, or solicitation, unless that public body determines that the use is consistent with the educational mission of the public body and beneficial to the affected students. A public body that is a local or intermediate school district or a public school academy may take steps to ensure that directory information disclosed under this subsection shall not be used, rented, or sold for the purpose of surveys, marketing, or solicitation. Before disclosing the directory information, a public body that is a local or intermediate school district or a public school academy may require the requester to execute an affidavit stating that directory information provided under this subsection shall not be used, rented, or sold for the purpose of surveys, marketing, or solicitation.

(3) This act does not authorize the withholding of information otherwise required by law to be made available to the public or to a party in a contested case under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(4) Except as otherwise exempt under subsection (1), this act does not authorize the withholding of a public record in the possession of the executive office of the governor or lieutenant governor, or an employee of either executive office, if the public record is transferred to the executive office of the governor or lieutenant governor, or an employee of either executive office, after a request for the public record has been received by a state officer, employee, agency, department, division, bureau, board, commission, council, authority, or other body in the executive branch of government that is subject to this act.

Effective date.

Enacting section 1. This amendatory act takes effect August 1, 2002.

This act is ordered to take immediate effect.
Approved June 10, 2002.
Filed with Secretary of State June 11, 2002.

[No. 438]

(SB 738)

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 2021 (MCL 600.2021).

The People of the State of Michigan enact:

600.2021 Foreign corporations; actions based on forbidden acts; exceptions.

Sec. 2021. (1) If a law of this state prohibits a corporation or an association of individuals from performing an act unless the act is expressly authorized by law, and the

act is done by a foreign corporation, the foreign corporation shall not maintain an action based on that act, or upon any liability or obligation, express or implied, arising out of or made or entered into in consideration of that act.

(2) Subsection (1) does not apply to a foreign corporation subject to the business corporation act, 1972 PA 284, MCL 450.1101 to 450.2098, or the nonprofit corporation act, 1982 PA 162, MCL 450.2101 to 450.3192.

This act is ordered to take immediate effect.
Approved June 10, 2002.
Filed with Secretary of State June 11, 2002.

[No. 439]

(SB 112)

AN ACT to amend 1967 (Ex Sess) PA 7, entitled "An act to provide for interlocal public agency agreements; to provide standards for those agreements and for the filing and status of those agreements; to permit the allocation of certain taxes or money received from tax increment financing plans as revenues; to permit tax sharing; to provide for the imposition of certain surcharges; to provide for additional approval for those agreements; and to prescribe penalties and provide remedies," by amending sections 2, 3, 4, 10, and 12 (MCL 124.502, 124.503, 124.504, 124.510, and 124.512), section 2 as amended by 1995 PA 108 and section 10 as amended by 1985 PA 10.

The People of the State of Michigan enact:

124.502 Definitions.

Sec. 2. As used in this act:

(a) "Interlocal agreement" means an agreement entered into under this act.

(b) "Local governmental unit" means a county, city, village, township, or charter township.

(c) "Province" means a province of Canada.

(d) "Property" means any real or personal property, as described in section 34c of the general property tax act, 1893 PA 206, MCL 211.34c.

(e) "Public agency" means a political subdivision of this state or of another state of the United States or of Canada, including, but not limited to, a state government; a county, city, village, township, charter township, school district, single or multipurpose special district, or single or multipurpose public authority; a provincial government, metropolitan government, borough, or other political subdivision of Canada; an agency of the United States government; or a similar entity of any other states of the United States and of Canada. As used in this subdivision, agency of the United States government includes an Indian tribe recognized by the federal government before 2000 that exercises governmental authority over land within this state, except that this act or any intergovernmental agreement entered into under this act shall not authorize the approval of a class III gaming compact negotiated under the Indian gaming regulatory act, Public Law 100-497, 102 Stat. 2467.

(f) "State" means a state of the United States.

124.503 Conflicting statutory provisions.

Sec. 3. If any provision of this act conflicts with any other statute of this state providing for the authorization or performance of joint or cooperative agreements or undertakings between public agencies of this state or between public agencies of this state and public agencies of other states or of Canada, the provisions of the other statute shall control.

124.504 Joint exercise of powers.

Sec. 4. A public agency of this state may exercise jointly with any other public agency of this state, with a public agency of any other state of the United States, with a public agency of Canada, or with any public agency of the United States government any power, privilege, or authority that the agencies share in common and that each might exercise separately.

124.510 Approval of certain agreements by governor; exclusions from funds of state; filing of interlocal agreement.

Sec. 10. (1) If funds of this state are to be allocated to carry out, in whole or in part, an agreement under this act or if this state, an agency of the United States government, any other state or political subdivision of any other state, or Canada or a political subdivision of Canada is a party to an agreement under this act, an interlocal agreement, prior to and as a condition precedent to its effectiveness, shall be submitted to the governor who shall determine whether the agreement is in proper form and compatible with the laws of this state.

(2) For the purposes of this section, funds of this state do not include grants, gifts, bequests, or assistance funds given to a public agency that is a party to an interlocal agreement if the purpose of that agreement is to administer those grants, gifts, bequests, or assistance funds according to their terms or to combine the proceeds of the parties' grants, gifts, bequests, or assistance funds for investment purposes.

(3) The governor shall approve an agreement submitted to him or her unless the governor finds that the agreement does not meet the conditions set forth in this act or is not compatible with the laws of this state. If the governor so finds, the governor shall detail in writing addressed to the governing bodies of the public agencies concerned within 90 days the specific respects in which the proposed interlocal agreement fails to meet the requirements of law. The governing bodies of the public agencies concerned shall have 60 days to resubmit the revised interlocal agreement to the governor, who shall approve or disapprove the agreement within 90 days.

(4) Prior to its effectiveness, an interlocal agreement shall be filed with the county clerk of each county where a party to the agreement is located and with the secretary of state.

124.512 Appropriation of funds by public agency; sale, lease, or gift of personnel, services, facilities; receipt of grants-in-aid.

Sec. 12. (1) A public agency entering into an interlocal agreement may appropriate funds and may sell, lease, give, or otherwise supply any party designated to operate the joint or cooperative undertaking any personnel, services, facilities, property, franchises, or funds for the undertaking that may be within its legal power to furnish.

(2) A public agency entering into an interlocal agreement may receive grants-in-aid or other assistance funds from the United States government, this state, or Canada for use in carrying out the purposes of the interlocal agreement.

This act is ordered to take immediate effect.
Approved June 12, 2002.
Filed with Secretary of State June 13, 2002.

[No. 440]

(SB 540)

AN ACT to authorize the state administrative board to convey certain state owned property in Macomb county; to prescribe conditions for the conveyance; and to provide for disposition of the revenue from the conveyance.

The People of the State of Michigan enact:

Conveyance of property located in Clinton township, Macomb county; jurisdiction of department of community health; consideration; description.

Sec. 1. The state administrative board, on behalf of the state, may convey for consideration of not less than fair market value as determined pursuant to section 3, all or any portion of property now under the jurisdiction of the department of community health and located in the township of Clinton, Macomb county, Michigan, and more particularly described as:

A parcel of land in the NE 1/4 of section 7, T2N, R13E, Clinton Township, Macomb County, Michigan, consisting of the north 1354.27 of the following described parcel; commencing at the N 1/4 corner of said section 7; thence N 88°16'00"E 432.03 feet, on the north line of said section 7 to the point of beginning of this description; thence N88°16'00" 887.77 feet, on the north line of said section 7, thence S01°26'00"E 2303.13 feet, on the West line of St. Joseph subdivision (and its extension) to the center of Canal Road; thence N71°21'30"W 762.85 feet, on the center of Canal Road; thence N01°18'30"E 377.58 feet; thence S88°50'00"W 196.94 feet; thence N01°10'00"W(computed as N01°10'12"W) 1658.58 feet, to the point of beginning. The above described parcel contains 26 acres, more or less. Reference to deed recorded in Liber2086, Pages 879 and 880, Macomb County Records.

Description subject to adjustments, restrictions, and easements.

Sec. 2. The parcel in section 1 comprises a total of approximately 26 acres. The description of the parcel in section 1 is approximate, and for the purposes of conveyance is subject to adjustments as the state administrative board or the attorney general considers necessary by survey or other legal description. The conveyance of the parcel in section 1 is subject to any easements, rights-of-way, or restrictions, if any, and restrictions and easements determined by the director of the department of management and budget and approved by the state administrative board as necessary for development of the property.

Determination of fair market value; appraisal.

Sec. 3. The fair market value of the property described in section 1 shall be determined by an appraisal based on using the property for providing services to the mentally ill or developmentally disabled citizens.

Purposes.

Sec. 4. The property described in section 1 shall be conveyed for the purpose of providing outpatient services to indigent persons requiring community health services due to mental illness, aging, substance abuse, or developmental disability, and the deed conveying the property shall provide for both of the following:

(a) That the property shall be used exclusively for providing outpatient services to indigent persons requiring community health services due to mental illness, aging, substance abuse, or developmental disability, for a period of 50 years after the date of the

conveyance and that upon termination of that use or use for any other purpose during that period, the state may reenter and repossess the property, terminating the grantee's estate in the property.

(b) That if the grantee disputes the state's exercise of its rights of reentry and fails to promptly deliver possession of the property to the state, the attorney general, on behalf of the state, may bring an action to quiet title to, and regain possession of, the property.

Quitclaim deed.

Sec. 5. The conveyance authorized by this act shall be by quitclaim deed approved by the attorney general.

Reservation of mineral rights.

Sec. 6. The state shall not reserve the mineral rights to the property conveyed under this act. However, the conveyance authorized under this act shall provide that if the purchaser or any grantee develops any minerals found on, within, or under the conveyed property, the purchaser or any grantee shall pay 1/2 of that revenue to the state, for deposit in the state general fund.

Disposition of net revenue.

Sec. 7. (1) The net revenue received under this act shall be deposited in the state treasury and credited to the general fund.

(2) For the purposes of this section, "net revenues" means the proceeds from the sale of the property described in section 1 less reimbursement for any costs to the state associated with the sale of that property.

This act is ordered to take immediate effect.
Approved June 12, 2002.
Filed with Secretary of State June 13, 2002.

[No. 441]

(HB 4994)

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 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," by amending section 16186 (MCL 333.16186), as amended by 1993 PA 80.

The People of the State of Michigan enact:

333.16186 Reciprocity; requirements.

Sec. 16186. (1) An individual who is licensed to practice a health profession in another state or, until January 1, 2004, is licensed to practice a health profession in a province of Canada, who is registered in another state, or who holds specialty certification from another state and who applies for licensure, registration, or specialty certification in this state may be granted an appropriate license or registration or specialty certification upon satisfying the board or task force to which the applicant applies as to all of the following:

(a) The applicant substantially meets the requirements of this article and rules promulgated under this article for licensure, registration, or specialty certification.

(b) Subject to subsection (3), the applicant is licensed, registered, or certified in another state or, until January 1, 2004, is licensed in a province in Canada that maintains standards substantially equivalent to those of this state.

(c) Subject to subsection (3), until January 1, 2004, if the applicant is licensed to practice a health profession in a province in Canada, the applicant completed the educational requirements in Canada or in the United States for licensure in Canada or in the United States.

(d) Until January 1, 2004, if the applicant is licensed to practice a health profession in a province in Canada, that the applicant will perform the professional services for which he or she bills in this state, and that any resulting request for third party reimbursement will originate from the applicant's place of employment in this state.

(2) Before licensing, registering, or certifying the applicant, the board or task force to which the applicant applies may require the applicant to appear personally before it for an interview to evaluate the applicant's relevant qualifications.

(3) For purposes of the amendatory act that added this subsection, an applicant who is licensed in a province in Canada who meets the requirements of subsection (1)(c) and takes and passes a national examination in this country that is approved by the appropriate Michigan licensing board, or who takes and passes a Canadian national examination approved by the appropriate Michigan licensing board, is considered to have met the requirements of subsection (1)(b). This subsection does not apply if the department, in consultation with the appropriate licensing board, promulgates a rule disallowing the use of this subsection for an applicant licensed in a province in Canada.

This act is ordered to take immediate effect.
Approved June 12, 2002.
Filed with Secretary of State June 13, 2002.

[No. 442]

(SB 1278)

AN ACT to amend 1975 PA 228, entitled "An act to provide for the imposition, levy, computation, collection, assessment and enforcement, by lien or otherwise, of taxes on

certain commercial, business, and financial activities; to prescribe the manner and times of making certain reports and paying taxes; to prescribe the powers and duties of public officers and state departments; to permit the inspection of records of taxpayers; to provide for interest and penalties on unpaid taxes; to provide exemptions, credits, and refunds; to provide penalties; to provide for the disposition of funds; to provide for the interrelation of this act with other acts; and to provide an appropriation," by amending section 19 (MCL 208.19), as amended by 2001 PA 278.

The People of the State of Michigan enact:

208.19 Tax base of foreign person.

Sec. 19. (1) Except as otherwise provided in this section, for tax years that begin on or after January 1, 2000, except for a taxpayer that calculates tax base under section 22a, the tax base of a foreign person includes the sum of business income and the adjustments under section 9 that are related to United States business activity, whether or not the foreign person is subject to taxation under the internal revenue code.

(2) A foreign person shall calculate business income under this section.

(3) A foreign person shall calculate compensation by reporting total compensation paid to employees, officers, and directors of the foreign person for services performed in the United States.

(4) Except as otherwise provided in this section, the tax base of a foreign person is subject to all adjustments and other provisions of this act.

(5) As used in this section:

(a) "Business income" means, for a foreign person, gross income attributable to the taxpayer's United States business activity and gross income derived from sources within the United States minus the deductions allowed under the internal revenue code that are related to that gross income. Gross income includes the proceeds from sales shipped or delivered to any purchaser within the United States and for which title transfers within the United States; proceeds from services performed within the United States; and a pro rata proportion of the proceeds from services performed both inside and outside the United States, based on cost of performance.

(b) "Compensation" means, for a foreign person, the daily compensation paid to each employee, officer, and director of the foreign person multiplied by the number of days that the employee, officer, or director has physical contact with the United States in the tax year. Physical contact with the United States for part of a day equals 1 day.

(c) "Permanent establishment" means that term as defined in section 35b(3)(a).

(d) "United States person" means that term as defined in section 7701(a)(30) of the internal revenue code.

(6) For tax years that begin after December 31, 1999 and before January 1, 2001, that portion of the tax base that is attributable to the international operation of aircraft by a foreign corporation whose gross income is exempt under section 883(a) of the internal revenue code is exempt from the tax imposed under this act.

(7) As used in this section and sections 46, 49, and 51, "foreign person" means either of the following:

(a) An individual who is not a United States resident, whether or not the individual is subject to taxation under the internal revenue code.

(b) A person formed under the laws of a foreign country or a political subdivision of a foreign country, whether or not the person is subject to taxation under the internal revenue code.

(8) To calculate business income and the adjustments under section 9 that are related to United States business activity, a foreign person that does not have a permanent establishment in the United States during the tax year or who is not subject to taxation under the internal revenue code for the tax year may use amounts that reasonably approximate the federal taxable income and the permitted deductions the person would have had had the person been subject to the internal revenue code, provided the foreign person does not in the ordinary course of its business maintain tax or financial accounting records in accordance with the tax accounting requirements of the internal revenue code. The tax base of a foreign person described in this subsection shall not include gross income from sales shipped or delivered to any purchaser within the United States and for which title transfers outside the United States.

(9) To calculate business income and the adjustments under section 9 that are related to United States business activity, a Canadian person that is subject to Canadian federal income tax under the income tax act (R.S.C. 1985, c. 1 (5th Supp)) may use amounts properly calculated under the income tax act (R.S.C. 1985, c. 1 (5th Supp)) to reasonably approximate business income and the adjustments under section 9 that are related to United States business activity. Amounts calculated under this subsection shall be presumed to reasonably approximate business income and the adjustments under section 9 that are related to United States business activity. The tax base of a Canadian person shall not include gross income from sales shipped or delivered to any purchaser within the United States and for which title transfers outside the United States.

(10) As used in subsection (9), "Canadian person" means a foreign person that does not have a permanent establishment in the United States during the tax year or that is not subject to taxation under the internal revenue code for the tax year and is either of the following:

(a) An entity formed under the laws of Canada or a province of Canada.

(b) An individual who is physically present in Canada in the aggregate exceeding 182 days in the tax year.

Effectiveness of act.

Enacting section 1. This amendatory act is retroactive and is effective for tax years that begin after December 31, 1999.

This act is ordered to take immediate effect.
Approved June 14, 2002.
Filed with Secretary of State June 14, 2002.

[No. 443]

(SB 1204)

AN ACT to amend 1951 PA 77, entitled "An act providing for the specific taxation of low grade iron ore, of low grade iron ore mining property, and of rights to minerals in lands containing low grade iron ores; to provide for the collection and distribution of the specific tax; to make an appropriation; and to prescribe the powers and duties of the state geologist and township supervisors and treasurers with respect to the specific tax," by amending sections 3 and 4 (MCL 211.623 and 211.624), section 4 as amended by 1994 PA 367.

The People of the State of Michigan enact:

211.623 Specific tax on mining property after production of ore; determination of mine value; "lower lake price" defined.

Sec. 3. (1) Beginning with the first calendar year after production of merchantable ore from a low grade iron ore mining property has been established on a commercial basis, the low grade iron ore mining property shall be subject to a specific tax equal to the average annual production in gross tons during the preceding 5-year period, multiplied by 1.1% or beginning December 31, 2001 through December 31, 2006 0.75% of the mine value per gross ton, based on the average natural iron analysis of shipments for that year of the iron ore pellets or of the concentrated or agglomerated products. A year in which production did not take place shall be excluded in computing the average production but only until the property has a 5-year record of commercial production. Mine value is determined by subtracting from the published lower lake price of Lake Superior iron ore pellets, or the particular concentrated or agglomerated products as of December 31, for the subsequent calendar year, all the transportation and handling costs, including any tax charged for transporting or handling the iron ore pellets or products, from the mining property to Lake Erie ports.

(2) As used in this section, "lower lake price" means the base price of Lake Superior district iron ore pellets or of the particular concentrated or agglomerated products at rail of vessel at lower lake ports as published in "Iron Age" published in New York City, New York, and "Industry Week" published in Cleveland, Ohio. If either "Iron Age" or "Industry Week" is not published or does not publish a price, a replacement trade journal recognized and generally accepted as reliable by the iron ore industry shall be substituted. If "Iron Age" or "Industry Week" do not publish the same price, if 1 of the trade journals publishes 2 different prices, or if the replacement trade journal does not publish a price, the price shall be the generally prevailing market price at which iron ore pellets or concentrated or agglomerated products, of comparable quality and utility, are being offered for sale in comparable quantity by or on behalf of bona fide producers from sources in the continental United States or Canada.

211.624 Minimum specific tax; entering land descriptions on separate roll; spreading and collecting specific tax; return and sale of property for nonpayment of taxes; valuation; property located in more than 1 township; distribution and use of sums collected; specific tax in lieu of ad valorem tax; determining proportion for disbursement and attribution of taxes; payment.

Sec. 4. (1) If the specific tax determined under section 3 is less than the specific tax determined under section 2, then section 2 shall govern.

(2) The township supervisor shall remove from the list of land descriptions assessed and taxed under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, the land descriptions of property taxed under this act, and shall enter the land descriptions on a separate roll. The township supervisor shall spread the specific tax against the property and the township treasurer shall collect the specific tax at the same time, in the same manner, and subject to the same collection charges as general property taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157. Property listed and taxed under this act shall be subject to return and sale for nonpayment of taxes in the same manner, at the same time, and under the same penalties as property returned and sold for nonpayment of taxes levied under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157. A valuation shall not be determined for a description listed under this act and the property shall not be considered by the county board of commissioners or by the state

board of equalization in connection with county or state equalization for taxation purposes. If a low grade iron ore mining property is located in more than 1 township, the state geologist shall determine the portion attributable to each township. Except as provided in subsections (5) and (6), sums collected under this act shall be distributed by the township treasurer to school districts, this state, and to local governmental units in the same proportion as the general property taxes are distributed. The amounts distributed may be used by the school districts and local governmental units for operating expenses, for capital improvements, and for the accumulation of reserves in a building and site fund or for the payment of interest or principal on bonds.

(3) The tax provided in this act shall be in lieu of an ad valorem tax on any of the following:

(a) The low grade iron ore.

(b) The low grade iron ore mining property.

(c) The mining of the low grade iron ore mining property.

(d) The production of iron ore pellets or other concentrated or agglomerated products.

(e) The iron ore pellets or other concentrated or agglomerated merchantable products.

(f) Land occupied by or used in connection with the mining, transportation, and beneficiation of the ore and shipping of iron ore pellets or other concentrated or agglomerated merchantable products.

(4) For specific taxes levied after 1993, to determine the proportion for the disbursement of taxes under this section and for attribution of taxes under subsection (5) for the specific taxes collected pursuant to this act, the number of mills levied for local school district operating purposes to be used in the calculation shall equal the number of mills for local school district operating purposes levied in 1993 minus the number of mills levied under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906, for the year for which the disbursement is calculated.

(5) For specific taxes levied after 1993 and school operating purposes, the amount that would otherwise be disbursed to a local school district shall be paid instead to the state treasury and credited to the state school aid fund established by section 11 of article IX of the state constitution of 1963.

(6) The proceeds of the specific tax levied under subsection (1) beginning December 31, 2001 through December 31, 2006 shall be distributed as follows:

(a) To school districts and local governmental units the same amount that they would have been entitled to receive if the specific tax rate were 1.1%.

(b) After the distribution under subdivision (a) is made, the remaining proceeds shall be deposited into the state school aid fund.

This act is ordered to take immediate effect.
Approved June 17, 2002.
Filed with Secretary of State June 17, 2002.

[No. 444]

(SB 841)

AN ACT to amend 1981 PA 80, entitled "An act to authorize certain cities and counties to issue general obligation bonds or obligations to fund an operating deficit or projected

operating deficit; to prescribe the powers and duties of the state administrative board; to provide for the levy of ad valorem property taxes to pay the principal and interest on the bonds or obligations; to prescribe certain conditions related to the bonds or obligations; and to provide remedies for enforcement of this act," by amending sections 4 and 7 (MCL 141.1004 and 141.1007), as amended by 1987 PA 279.

The People of the State of Michigan enact:

141.1004 Application for order approving bonds or obligations; resolution; determination of accumulated operating deficit; conditions and determinations; statement; issuance of order; determinations and findings conclusive; maximum amount of bonds or obligations; exceptions; bonds or obligations not subject to revised municipal finance act; agency financing reporting act applicable.

Sec. 4. (1) Before a city may make application to the board for approval to issue bonds or obligations under this act, the legislative body of the city shall determine by resolution that all of the following conditions exist:

(a) The city had an accumulated operating deficit as of the end of the last completed fiscal year or is projected to have an accumulated operating deficit at the end of the current fiscal year. The determination of the existence of an accumulated operating deficit or a projected accumulated operating deficit shall be made in accordance with generally accepted accounting principles.

(b) The amount of the deficit exceeds the amount that the city may borrow from the emergency municipal loan fund pursuant to the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942.

(c) The amount of the deficit is more than the city can fund by issuing tax anticipation notes under the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(2) Before a county may make application to the board for approval to issue bonds or obligations under this act, the legislative body of the county shall determine by resolution that the county had an accumulated operating deficit as of the end of the last completed fiscal year or is projected to have an accumulated operating deficit at the end of the current fiscal year. The determination of the existence of an accumulated operating deficit or a projected accumulated operating deficit shall be made in accordance with generally accepted accounting principles.

(3) If the legislative body of a city or county determines that all of the conditions described in subsection (1) or (2) exist, respectively, it shall also in the same resolution make the following determinations:

(a) The amount of the accumulated operating deficit that was incurred or is projected to exist at the end of the current fiscal year.

(b) The maximum amount of bonds or obligations necessary to fund the deficit and provide funds for the purposes described in section 5.

(4) Before adopting a resolution authorizing the issuance of the bonds or obligations, the city or county shall apply to the secretary of the board for an order approving issuance of the bonds or obligations by the city or county and shall attach to the application a copy of the resolution described in this section.

(5) The board shall require that the city or county provide the board with a statement signed by the chief executive officer of the city or county, if a charter county, or the chairperson of the board of county commissioners, which statement indicates how the city or county intends to avoid future deficits. The statement is a condition that shall be met as part of the application by the city or county to the board for issuance of bonds or obligations under this act.

(6) Within 7 days after receipt of a full and complete application as determined by the board, the board shall issue an order approving issuance of bonds or obligations by the city or county in an amount not exceeding the amount determined to be necessary by the legislative body of the city or county under subsection (3) or denying the application.

(7) After approval of the board, the determinations and findings made by the legislative body of the city or county pursuant to this section are conclusive.

(8) The maximum amount of bonds or obligations that are unlimited or limited tax bonds or obligations that may be issued by a city or county under this act shall not exceed 3% of the state equalized valuation of real and personal property located within the territorial boundaries of the city or county, respectively, or the maximum principal amount of all bonds or obligations that may be issued by a city or county under this act shall not exceed $125,000,000.00. The limitations provided by this subsection do not include bonds or obligations or portions of bonds or obligations used to pay for any of the following:

(a) Amounts set aside for a reserve for payment of principal, interest, and redemption premiums.

(b) Expected costs of issuance of the bonds or obligations.

(c) The amount of any discount.

(d) Bonds or obligations issued to refund outstanding bonds or obligations.

(9) Except as provided in section 7, the issuance of bonds or obligations under this act are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. The issuance of bonds or obligations described in this subsection is subject to the agency financing reporting act.

141.1007 Levy of property taxes for payment of principal and interest on bonds or obligations.

Sec. 7. A city or county that issues bonds or obligations that are unlimited or limited tax bonds or obligations under this act shall annually levy sufficient ad valorem property taxes for payment of principal and interest coming due on the bonds or obligations prior to the next collection of taxes as required by the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. In determining the amount of the annual levy necessary for the payment of the principal and interest, credit may be taken for other revenues available and pledged for payment of the bonds or obligations. If the bonds or obligations have been approved by a majority vote of the qualified electors of the city or county voting on the question, the levy of taxes for payment of principal and interest on the bonds or obligations is not subject to limitation as to rate or amount, and taxes for the payment of the principal and interest are in addition to all other taxes that the city or county may otherwise be authorized to levy.

This act is ordered to take immediate effect.
Approved June 17, 2002.
Filed with Secretary of State June 17, 2002.

[No. 445]

(SB 859)

AN ACT to amend 1967 (Ex Sess) PA 7, entitled "An act to provide for interlocal public agency agreements; to provide standards for those agreements and for the filing and status of those agreements; to permit the allocation of certain taxes or money

received from tax increment financing plans as revenues; to permit tax sharing; to provide for the imposition of certain surcharges; to provide for additional approval for those agreements; and to prescribe penalties and provide remedies," by amending section 7 (MCL 124.507), as amended by 1985 PA 10.

The People of the State of Michigan enact:

124.507 Administrative commission, board, or council; public body, corporate or politic; appointment and removal of members; operation for profit prohibited; earnings; title to property; powers; authorization and power of separate legal or administrative entity; bonds or notes.

Sec. 7. (1) An interlocal agreement may provide for a separate legal or administrative entity to administer or execute the agreement which may be a commission, board, or council constituted pursuant to the agreement. The entity shall be a public body, corporate or politic for the purposes of this act. The governing body of each public agency shall appoint a member of the commission, board, or council constituted pursuant to the agreement. That member may be removed by the appointing governing body at will. The administrative or legal entity shall not be operated for profit. No part of its earnings shall inure to the benefit of a person other than the public agencies that created it. Upon termination of the interlocal agreement, title to all property owned by the entity shall vest in the public agencies that incorporated it.

(2) A separate legal or administrative entity created by an interlocal agreement shall possess the common power specified in the agreement and may exercise it in the manner or according to the method provided in the agreement. The entity may be, in addition to its other powers, authorized in its own name to make and enter into contracts, to employ agencies or employees, to acquire, construct, manage, maintain, or operate buildings, works, or improvements, to acquire, hold, or dispose of property, to incur debts, liabilities, or obligations that, except as expressly authorized by the parties, do not constitute the debts, liabilities, or obligations of any of the parties to the agreement, to cooperate with a public agency, an agency or instrumentality of that public agency, or another legal or administrative entity created by that public agency under this act, to make loans from the proceeds of gifts, grants, assistance funds, or bequests pursuant to the terms of the interlocal agreement creating the entity, and to form other entities necessary to further the purpose of the interlocal agreement. The entity may sue and be sued in its own name.

(3) No separate legal or administrative entity created by an interlocal agreement shall possess the power or authority to levy any type of tax within the boundaries of any governmental unit participating in the interlocal agreement, or to issue any type of bond in its own name, or to in any way indebt a governmental unit participating in the interlocal agreement.

(4) A separate legal or administrative entity created by an interlocal agreement may be authorized by the interlocal agreement to borrow money and to issue bonds or notes in its name for local public improvements or for economic development purposes as provided in the interlocal agreement.

(5) The entity created by the interlocal agreement shall not borrow money or issue bonds or notes for a sum that, together with the total outstanding bonded indebtedness of the entity, exceeds 2 mills of the taxable value of the taxable property within the local governmental units participating in the interlocal agreement as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(6) Bonds or notes issued under this act are a debt of the entity created by the interlocal agreement and not of the participating local governmental units.

(7) Bonds or notes issued under this act are declared to be issued for an essential public and governmental purpose and, together with interest on those bonds or notes and income from those bonds or notes, are exempt from all taxes.

(8) Bonds or notes issued under this act are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

This act is ordered to take immediate effect.
Approved June 17, 2002.
Filed with Secretary of State June 17, 2002.

[No. 446]

(SB 987)

AN ACT to amend 1957 PA 4, entitled "An act to provide for the incorporation of municipal authorities to acquire, own and operate water supply and transmission systems; to provide a municipal charter therefor; to prescribe the powers and functions thereof; and to prescribe penalties and provide remedies," by amending sections 15 and 16 (MCL 121.15 and 121.16); and to repeal acts and parts of acts.

The People of the State of Michigan enact:

121.15 Bonds; issuance subject to revised municipal finance act.

Sec. 15. Bonds issued by any authority under the provisions of this act are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

121.16 Taxes; rates; assessment; levy; collection; subjects.

Sec. 16. The authority shall levy each year a sufficient tax, taking into account the probable delinquency in tax collections, to pay the principal and interest on all bonds lawfully issued by the authority under the provisions of this act, maturing prior to the next tax collection period. Except as otherwise provided by law, the tax for the purpose of paying the bonded indebtedness shall be unlimited as to rate or amount. The tax rate shall be uniform for all territory comprising the authority. The tax rate for all cities, villages, and townships that are members of the authority shall be based and assessed upon the current taxable value of the cities, villages, and townships. On or before August 1 of each year, the authority, by its board of commissioners, shall certify to the tax collecting officers of each city and township comprising the authority the tax rate determined by it to be necessary for the above purposes, and the tax collecting officers shall include the tax rate as a separate item in the next county tax levied in the city or township. All the taxes shall be assessed, levied, collected, and returned in the same manner as county taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, and shall have the same priority rights and bear the same interest and penalties as county taxes. In the levy and collection of the taxes, the tax collecting officials of the cities and townships comprising the authority, and the county treasurers in the event the taxes are returned delinquent, shall be considered to be acting as agents for and on behalf of the authority. All money collected by any tax collecting officer from the tax levied under the provisions of this act shall be transmitted as collected to the authority and used by it solely for the payment of principal and interest on its bonds issued under this act. Any village that is a part of the authority shall be considered a part of the township in which it is located for

the purposes of this section, if the township is a part of the authority. If any village that is a part of the authority is located in a township that is not a part of the authority, the authority shall certify to the township treasurer of the township in which the village is located, the tax rate as determined in this section, and the taxes shall be levied and collected as a part of, and as an independent item in, the county tax bills levied in the village. The subjects of taxation for the authority purposes shall be the same as for state, county, and school purposes under the general law.

Repeal of §§ 121.14 and 121.17.

Enacting section 1. Sections 14 and 17 of the charter water authority act, 1957 PA 4, MCL 121.14 and 121.17, are repealed.

This act is ordered to take immediate effect.
Approved June 17, 2002.
Filed with Secretary of State June 17, 2002.

[No. 447]

(SB 1074)

AN ACT to amend 1925 PA 234, entitled "An act to provide for the creation and establishment of port districts; to prescribe their rights, powers, duties and privileges; to prescribe their powers of regulation in certain cases; to prescribe their powers in respect to acquiring, improving, enlarging, extending, operating, maintaining and financing various projects and the conditions upon which certain of said projects may extend into another state or county," by amending section 32 (MCL 120.32).

The People of the State of Michigan enact:

120.32 Power to borrow in ancitipation of tax.

Sec. 32. (1) A port commission is hereby authorized, prior to the receipt of taxes raised by a levy, to borrow money or issue the warrants of the district in anticipation of the revenues to be derived by the district from the levy of taxes for the purpose described in this act. The warrants shall be redeemed from the first money available from the levy of taxes when collected.

(2) Bonds and notes issued under this section are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

This act is ordered to take immediate effect.
Approved June 17, 2002.
Filed with Secretary of State June 17, 2002.

[No. 448]

(SB 1269)

AN ACT to amend 1951 PA 51, entitled "An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification

and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts," by amending section 18f (MCL 247.668f), as amended by 1983 PA 82.

The People of the State of Michigan enact:

247.668f Approval of construction; sale price of bonds.

Sec. 18f. If the aggregate maturities of the bonds exceed 15 years, the bonds shall not be issued until the state transportation department has approved the construction to be financed by the proceeds of the bonds. The sale price of the bonds shall not be less than the minimum price specified in the proceedings authorizing their issuance.

This act is ordered to take immediate effect.
Approved June 17, 2002.
Filed with Secretary of State June 17, 2002.

[No. 449]

(SB 1300)

AN ACT to amend 1961 PA 112, entitled "An act to authorize and provide for the issuance, sale, and refunding of bonds, notes, or commercial paper of the state; to provide funds for making loans to school districts for payment of principal and interest on certain

school bonds; to provide for use of moneys repaid to the state by school districts; and to make an appropriation," (MCL 388.981 to 388.985) by adding section 1c.

The People of the State of Michigan enact:

388.981c Bonds and notes; revised municipal finance act inapplicable; agency financing reporting act applicable.

Sec. 1c. (1) Bonds and notes issued under this act are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(2) The issuance of bonds or notes under this act is subject to the agency financing reporting act.

This act is ordered to take immediate effect.
Approved June 17, 2002.
Filed with Secretary of State June 17, 2002.

[No. 450]

(SB 1313)

AN ACT to amend 1961 PA 108, entitled "An act to provide for loans by the state of Michigan to school districts for the payment of principal and interest upon school bonds; to prescribe the terms and conditions of the loans and the conditions upon which levies for bond principal and interest shall be included in computing the amount to be so loaned by the state; to prescribe the powers and duties of the superintendent of public instruction and the state treasurer in relation to such loans; to provide for the repayment of such loans; to provide incentives for repayment of such loans; to provide for other matters in respect to such loans; and to make an appropriation," (MCL 388.951 to 388.963) by adding section 3a.

The People of the State of Michigan enact:

388.953a Interest on qualified bonds; amount includable.

Sec. 3a. For the purposes of this act, interest on qualified bonds includes the amount required for the payment of a school district's net interest obligation under an interest rate exchange or swap, hedge, or other agreement entered into pursuant to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

This act is ordered to take immediate effect.
Approved June 17, 2002.
Filed with Secretary of State June 17, 2002.

[No. 451]

(SB 1265)

AN ACT to amend 1951 PA 51, entitled "An act to provide for the classification of all public roads, streets, and highways in this state, and for the revision of that classification

and for additions to and deletions from each classification; to set up and establish the Michigan transportation fund; to provide for the deposits in the Michigan transportation fund of specific taxes on motor vehicles and motor vehicle fuels; to provide for the allocation of funds from the Michigan transportation fund and the use and administration of the fund for transportation purposes; to set up and establish the truck safety fund; to provide for the allocation of funds from the truck safety fund and administration of the fund for truck safety purposes; to set up and establish the Michigan truck safety commission; to establish certain standards for road contracts for certain businesses; to provide for the continuing review of transportation needs within the state; to authorize the state transportation commission, counties, cities, and villages to borrow money, issue bonds, and make pledges of funds for transportation purposes; to authorize counties to advance funds for the payment of deficiencies necessary for the payment of bonds issued under this act; to provide for the limitations, payment, retirement, and security of the bonds and pledges; to provide for appropriations and tax levies by counties and townships for county roads; to authorize contributions by townships for county roads; to provide for the establishment and administration of the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds; to provide for the deposits in the state trunk line fund, critical bridge fund, comprehensive transportation fund, and certain other funds of money raised by specific taxes and fees; to provide for definitions of public transportation functions and criteria; to define the purposes for which Michigan transportation funds may be allocated; to provide for Michigan transportation fund grants; to provide for review and approval of transportation programs; to provide for submission of annual legislative requests and reports; to provide for the establishment and functions of certain advisory entities; to provide for conditions for grants; to provide for the issuance of bonds and notes for transportation purposes; to provide for the powers and duties of certain state and local agencies and officials; to provide for the making of loans for transportation purposes by the state transportation department and for the receipt and repayment by local units and agencies of those loans from certain specified sources; and to repeal acts and parts of acts," by amending section 18c (MCL 247.668c).

The People of the State of Michigan enact:

247.668c Counties; bonds.

Sec. 18c. (1) A county may borrow money and issue bonds to pay all or any portion of the cost of the construction or reconstruction of highways, including limited access highways, which by law a county road commission is authorized to construct or reconstruct, or participate with any other county road commission, city, or village in the construction or reconstruction of, including the construction or the enlargement, reconstruction, or relocation of existing highways and the acquisition of necessary rights-of-way for those highways, and all work incidental to the construction or reconstruction, which bonds shall be issued only upon the written recommendation or approval of the county road commission, and the adoption of a resolution by a majority vote of the county board of commissioners of the county. The resolution shall briefly describe the contemplated highway construction project, the estimated cost of the project, and the amount, maximum rate of interest, and maturity dates of the bonds to be issued and the form of the bonds. The resolution shall contain an irrevocable appropriation providing for the payment of the principal and interest of the bonds from the money received or to be received by the county road commission from the Michigan transportation fund, except to the extent the money has been pledged by contract in accordance with 1941 PA 205, MCL 252.51 to 252.64, before July 1, 1957, for the construction or financing of limited access highways, and except to the extent the moneys have been pledged before July 1, 1957, for the payment

of notes issued under 1943 PA 143, MCL 141.251 to 141.254. A contractual pledge made before July 1, 1957, in accordance with the provisions of 1941 PA 205, MCL 252.51 to 252.64, and a pledge made before July 1, 1957, for the payment of promissory notes under 1943 PA 143, MCL 141.251 to 141.254, shall have and retain its priority of lien or charge against the money distributed by law to the county road commission from the Michigan transportation fund, as contemplated by those acts, and as provided in the contract or resolution authorizing the issuance of bonds or notes under those acts. A pledge made after June 30, 1957, by a county road commission under 1941 PA 205, MCL 252.51 to 252.64, or 1943 PA 143, MCL 141.251 to 141.254, shall have equal standing and priority with a pledge made after June 30, 1957, by the county road commission under this act. The total aggregate amount of bonds that may be issued by a county under this section shall not exceed the amount that will be serviced as to their maximum annual principal and interest requirements by an amount equal to 20% of the moneys received by the county road commission of the county from the Michigan transportation fund during the fiscal year immediately preceding the issuance of the bonds. Bonds may be issued under this section as separate issues or series with different dates of issuance but the aggregate of the bonds shall be subject to the limitations set forth in this act. As additional security for the payment of the bonds, a county, upon adoption of a resolution by a majority of the members of its county board of commissioners, may agree on behalf of the county that if the funds pledged for the payment of the bonds are at any time insufficient to pay the principal and interest on the bonds as the same become due, the county treasurer shall be obligated to advance sufficient money from the general fund of the county to make up the deficiency, and reimbursement shall be made from the first subsequent revenues received by the county road commission from the Michigan transportation fund not pledged or required to be set aside and used for the payment of the principal and interest on bonds, notes, or other evidences of indebtedness.

(2) The total annual amount that may be pledged by a county road commission for the payment of principal and interest on bonds issued pursuant to this section, or the payment of contributions as required by a contract entered into in accordance with section 18d, which contributions are pledged for the payment of bonds, together with total maximum debt service requirements for payment of notes issued under 1943 PA 143, MCL 141.251 to 141.254, shall not exceed 50% of the total amount received by the county road commission from the Michigan transportation fund during the last completed fiscal year ending on June 30 before the issuance of a bond or note or the execution of a contract.

(3) Bonds issued under this section are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

This act is ordered to take immediate effect.
Approved June 21, 2002.
Filed with Secretary of State June 21, 2002.

[No. 452]

(SB 1248)

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," by amending section 4v (MCL 205.54v), as added by 1999 PA 116.

The People of the State of Michigan enact:

205.54v Central office equipment or wireless equipment; presumption.

Sec. 4v. (1) The tax levied under this act does not apply to the purchase of machinery and equipment for use or consumption in the rendition of any combination of services, the use or consumption of which is taxable under section 3a(a) or (c) or section 3b of the use tax act, 1937 PA 94, MCL 205.93a and 205.93b, except that this exemption is limited to the tangible personal property located on the premises of the subscriber and to central office equipment or wireless equipment, directly used or consumed in transmitting, receiving, or switching, or in the monitoring of switching of a 2-way interactive communication. As used in this subsection, central office equipment or wireless equipment does not include distribution equipment including cable or wire facilities.

(2) Beginning April 1, 1999, the property under subsection (1) is exempt only to the extent that the property is used for the exempt purposes stated in this section. There is an irrebuttable presumption that 90% of total use is for exempt purposes. This presumption is in effect until April 1, 2006, at which time the presumption shall be reviewed and redetermined by the department of treasury using nonexempt and exempt user information for the previous 12-month period. That redetermined irrebuttable presumption shall be in effect for the following 7 years. The irrebuttable presumption shall be reviewed and redetermined every 7 years after April 1, 2006 and applied to the following 7 years.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 91st Legislature are enacted into law:

(a) Senate Bill No. 477.

(b) Senate Bill No. 824.

This act is ordered to take immediate effect.
Approved June 21, 2002.
Filed with Secretary of State June 21, 2002.

Compiler's note: Senate Bill No. 477, referred to in enacting section 1, was filed with the Secretary of State June 21, 2002, and became P.A. 2002, No. 455, Imd. Eff. June 21, 2002.

Senate Bill No. 824, also referred to in enacting section 1, was filed with the Secretary of State June 21, 2002, and became P.A. 2002, No. 456, Imd. Eff. June 21, 2002.

[No. 453]

(SB 1124)

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 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 sections 717 and 719 (MCL 257.717 and 257.719), section 717 as amended by 2000 PA 7 and section 719 as amended by 2002 PA 78.

The People of the State of Michigan enact:

257.717 Maximum permissible width of vehicle or load; operation or movement of implement of husbandry; extension beyond center line of highway; permit; designation of highway for operation of vehicle or vehicle combination; violation as civil infraction; charging owner.

Sec. 717. (1) The total outside width of a vehicle or the load on a vehicle shall not exceed 96 inches, except as otherwise provided in this section.

(2) A person may operate or move an implement of husbandry of any width on a highway as required, designed, and intended for farming operations, including the movement of implements of husbandry being driven or towed and not hauled on a trailer, without obtaining a special permit for an excessively wide vehicle or load under section 725. The operation or movement of the implement of husbandry shall be in a manner so as to minimize the interruption of traffic flow. A person shall not operate or move an implement of husbandry to the left of the center of the roadway from a half hour after sunset to a half hour before sunrise, under the conditions specified in section 639, or at any time visibility is substantially diminished due to weather conditions. A person operating or moving an implement of husbandry shall follow all traffic regulations.

(3) The total outside width of the load of a vehicle hauling concrete pipe, agricultural products, or unprocessed logs, pulpwood, or wood bolts shall not exceed 108 inches.

(4) Except as provided in subsections (2) and (5) and this subsection, if a vehicle that is equipped with pneumatic tires is operated on a highway, the maximum width from the outside of 1 wheel and tire to the outside of the opposite wheel and tire shall not exceed 102 inches, and the outside width of the body of the vehicle or the load on the vehicle shall not exceed 96 inches. However, a truck and trailer or a tractor and semitrailer combination hauling pulpwood or unprocessed logs may be operated with a maximum width of not to exceed 108 inches in accordance with a special permit issued under section 725.

(5) The total outside body width of a bus, a trailer coach, a truck camper, or a motor home shall not exceed 102 inches. However, an appurtenance of a trailer coach, a truck camper, or a motor home that extends not more than 6 inches beyond the total outside body width is not a violation of this section.

(6) A vehicle shall not extend beyond the center line of a state trunk line highway except when authorized by law. Except as provided in subsection (2), if the width of the vehicle makes it impossible to stay away from the center line, a permit shall be obtained under section 725.

(7) The director of the state transportation department, a county road commission, or a local authority may designate a highway under the agency's jurisdiction as a highway on which a person may operate a vehicle or vehicle combination that is not more than 102 inches in width, including load, the operation of which would otherwise be prohibited by this section. The agency making the designation may require that the owner or lessee of the vehicle or of each vehicle in the vehicle combination secure a permit before operating the vehicle or vehicle combination. This subsection does not restrict the issuance of a special permit under section 725 for the operation of a vehicle or vehicle combination. This subsection does not permit the operation of a vehicle or vehicle combination described in section 722a carrying a load described in that section if the operation would otherwise result in a violation of that section.

(8) A person who violates this section is responsible for a civil infraction. The owner of the vehicle may be charged with a violation of this section.

257.719 Height of vehicle; liability for damage to bridge or viaduct; normal length maximum; prohibitions; connecting assemblies and lighting devices; gross weight; violation as civil infraction; definitions.

Sec. 719. (1) A vehicle unloaded or with load shall not exceed a height of 13 feet 6 inches. The owner of a vehicle that collides with a lawfully established bridge or viaduct is liable for all damage and injury resulting from a collision caused by the height of the vehicle, whether the clearance of the bridge or viaduct is posted or not.

(2) Lengths described in this subsection shall be known as the normal length maximum. Except as provided in subsection (3), the following vehicles and combinations of vehicles shall not be operated on a highway in this state in excess of these lengths:

(a) Any single vehicle: 40 feet; any single bus or motor home: 45 feet.

(b) Articulated buses: 65 feet.

(c) Notwithstanding any other provision of this section, a combination of a truck and semitrailer or trailer, or a truck tractor, semitrailer, and trailer, or truck tractor and semitrailer or trailer, designed and used exclusively to transport assembled motor vehicles or bodies, recreational vehicles, or boats, that does not exceed a length of 65 feet. Stinger-steered combinations shall not exceed a length of 75 feet. The load on the combinations of vehicles described in this subdivision may extend an additional 3 feet beyond the front and 4 feet beyond the rear of the combinations of vehicles. Retractable extensions used to support and secure the load that do not extend beyond the allowable overhang for the front and rear shall not be included in determining length of a loaded vehicle or vehicle combination.

(d) Truck tractor and semitrailer combinations: no overall length, the semitrailer not to exceed 50 feet.

(e) Truck and semitrailer or trailer: 59 feet.

(f) Truck tractor, semitrailer, and trailer, or truck tractor and 2 semitrailers: 59 feet.

(g) More than 1 motor vehicle, wholly or partially assembled, in combination, utilizing 1 tow bar or 3 saddle mounts with full mount mechanisms and utilizing the motive power of 1 of the vehicles in combination, not to exceed 55 feet.

(3) Notwithstanding subsection (2), the following vehicles and combinations of vehicles shall not be operated on a designated highway of this state in excess of these lengths:

(a) Truck tractor and semitrailer combinations: no overall length limit, the semitrailer not to exceed 53 feet. All semitrailers longer than 50 feet shall have a wheelbase of 37.5 to 40.5 feet plus or minus 0.5 feet, measured from the kingpin coupling to the center of the

rear axle or the center of the rear axle assembly. Before April 1, 2003, a semitrailer with a length longer than 50 feet shall not operate with more than 2 axles on the semitrailer. After March 31, 2003, a semitrailer with a length longer than 50 feet shall not operate with more than 3 axles on the semitrailer. City, village, or county authorities may prohibit stops of vehicles with a semitrailer longer than 50 feet within their jurisdiction unless the stop occurs along appropriately designated routes, or is necessary for emergency purposes or to reach shippers, receivers, warehouses, and terminals along designated routes.

(b) Truck and semitrailer or trailer combinations: 65 feet, except that a person may operate a truck and semitrailer or trailer designed and used to transport saw logs, pulpwood, and tree length poles that does not exceed an overall length of 70 feet. A person may operate a truck tractor and semitrailer designed and used to transport saw logs, pulpwood, and tree length wooden poles with a load overhang to the rear of the semitrailer which does not exceed 6 feet if the semitrailer does not exceed 50 feet in length.

(c) Truck tractor and 2 semitrailers, or truck tractor, semitrailer, and trailer combinations: no overall length limit, if the length of each semitrailer or trailer does not exceed 28-1/2 feet each, or the overall length of the semitrailer and trailer, or 2 semitrailers as measured from the front of the first towed unit to the rear of the second towed unit while the units are coupled together does not exceed 58 feet.

(d) More than 1 motor vehicle, wholly or partially assembled, in combination, utilizing 1 tow bar or 3 saddle mounts with full mount mechanisms and utilizing the motive power of 1 of the vehicles in combination, not to exceed 75 feet.

(4) The following combinations and movements are prohibited:

(a) A truck shall not haul more than 1 trailer or semitrailer, and a truck tractor shall not haul more than 2 semitrailers or 1 semitrailer and 1 trailer in combination at any 1 time, except that a farm tractor may haul 2 wagons or trailers, or garbage and refuse haulers may, during daylight hours, haul up to 4 trailers for garbage and refuse collection purposes, not exceeding in any combination a total length of 55 feet and at a speed limit not to exceed 15 miles per hour.

(b) A combination of vehicles or a vehicle shall not have more than 11 axles, except when operating under a valid permit issued by the state transportation department or a local authority with respect to a highway under its jurisdiction.

(c) Any combination of vehicles not specifically authorized under this section is prohibited.

(d) A combination of 2 semitrailers pulled by a truck tractor, unless each semitrailer uses a fifth wheel connecting assembly which conforms to the requirements of the motor carrier safety act of 1963, 1963 PA 181, MCL 480.11 to 480.22.

(e) A vehicle or a combination of vehicles shall not carry a load extending more than 3 feet beyond the front of the lead vehicle.

(f) A vehicle described in subsections (2)(e) and (3)(d) employing triple saddle mounts unless all wheels that are in contact with the roadway have operating brakes.

(5) All combinations of vehicles under this section shall employ connecting assemblies and lighting devices that are in compliance with the motor carrier safety act of 1963, 1963 PA 181, MCL 480.11 to 480.22.

(6) The total gross weight of a truck tractor, semitrailer, and trailer combination or a truck tractor and 2 semitrailers combination that exceeds 59 feet in length shall not exceed a ratio of 400 pounds per engine net horsepower delivered to clutch or its equivalent specified in the handbook published by the society of automotive engineers, inc. (SAE), 1977 edition.

(7) A person who violates this section is responsible for a civil infraction. The owner of the vehicle may be charged with a violation of this section.

(8) As used in this section:

(a) "Designated highway" means a highway approved by the state transportation department or a local authority with respect to a highway under its jurisdiction.

(b) "Length" means the total length of a vehicle, or combination of vehicles, including any load the vehicle is carrying. Length does not include safety and energy conservation devices including, but not limited to, impact absorbing bumpers, rear view mirrors, turn signal lamps, marker lamps, steps and hand holds for entry and egress, flexible fender extensions, mud flaps, or splash and spray suppressant devices; load induced tire bulge; refrigeration or heating units; or air compressors attached to the vehicle. A safety or energy conservation device shall be excluded from a determination of length only if it is not designed or used for the carrying of cargo, freight, or equipment. Semitrailers and trailers shall be measured from the front vertical plane of the foremost transverse load supporting structure to the rearmost transverse load supporting structure.

(c) "Stinger-steered combinations" means a truck tractor and semitrailer combination in which the fifth wheel is located on a drop frame located behind and below the rearmost axle of the power unit.

This act is ordered to take immediate effect.
Approved June 21, 2002.
Filed with Secretary of State June 21, 2002.

[No. 454]

(SB 415)

AN ACT to amend 1994 PA 451, entitled "An act to protect the environment and natural resources of the state; to codify, revise, consolidate, and classify laws relating to the environment and natural resources of the state; to regulate the discharge of certain substances into the environment; to regulate the use of certain lands, waters, and other natural resources of the state; to prescribe the powers and duties of certain state and local agencies and officials; to provide for certain charges, fees, and assessments; to provide certain appropriations; to prescribe penalties and provide remedies; to repeal certain parts of this act on a specific date; and to repeal certain acts and parts of acts," (MCL 324.101 to 324.90106) by adding section 72113.

The People of the State of Michigan enact:

324.72113 Michigan heritage water trail program.

Sec. 72113. (1) The Great Lakes center for maritime studies at western Michigan university, in conjunction with the department, the department of history, arts, and libraries, and the Michigan 4-H youth conservation council, shall develop a plan for a statewide recognition program to be known as the "Michigan heritage water trail program". This program shall be designed to do all of the following:

(a) Establish a method for designating significant water corridors in the state as Michigan heritage water trails.

(b) Provide recognition for the historical, cultural, recreational, and natural resource significance of Michigan heritage water trails.

(c) Establish methods for local units of government to participate in programs that complement the designation of Michigan heritage water trails.

(d) Assure that private property rights along Michigan heritage water trails are not disturbed or disrupted, or restricted by the state or local units of government.

(2) Within 1 year after the effective date of the amendatory act that added this section, the center for maritime studies at western Michigan university, in conjunction with the department, the department of history, arts, and libraries, and the Michigan 4-H youth conservation council, shall submit a copy of the plan developed under subsection (1) to the standing committees of the legislature with jurisdiction primarily pertaining to natural resources and the environment.

This act is ordered to take immediate effect.
Approved June 21, 2002.
Filed with Secretary of State June 21, 2002.

[No. 455]

(SB 477)

AN ACT to amend 1937 PA 94, entitled "An act to provide for the levy, assessment and collection of a specific excise tax on the storage, use or consumption in this state of tangible personal property and certain services; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," by amending section 3a (MCL 205.93a), as amended by 1998 PA 366.

The People of the State of Michigan enact:

205.93a Tax for use or consumption; services.

Sec. 3a. (1) The use or consumption of the following services is taxed under this act in the same manner as tangible personal property is taxed under this act:

(a) Except as provided in section 3b, intrastate telephone, telegraph, leased wire, and other similar communications, including local telephone exchange and long distance telephone service that both originates and terminates in Michigan, and telegraph, private line, and teletypewriter service between places in Michigan, but excluding telephone service by coin-operated installations, switchboards, concentrator-identifiers, interoffice circuitry and their accessories for telephone answering service, and directory advertising proceeds.

(b) Rooms or lodging furnished by hotelkeepers, motel operators, and other persons furnishing accommodations that are available to the public on the basis of a commercial and business enterprise, irrespective of whether or not membership is required for use of the accommodations, except rooms and lodging rented for a continuous period of more than 1 month. As used in this act, "hotel" or "motel" means a building or group of buildings in which the public may obtain accommodations for a consideration, including, without limitation, such establishments as inns, motels, tourist homes, tourist houses or courts, lodging houses, rooming houses, nudist camps, apartment hotels, resort lodges and cabins, camps operated by other than nonprofit organizations but not including those licensed

under 1973 PA 116, MCL 722.111 to 722.128, and any other building or group of buildings in which accommodations are available to the public, except accommodations rented for a continuous period of more than 1 month and accommodations furnished by hospitals or nursing homes.

(c) Except as provided in section 3b, interstate telephone communications that either originate or terminate in this state and for which the charge for the service is billed to a Michigan service address or phone number by the provider either within or outside this state including calls between this state and any place within or without the United States of America outside of this state. However, if the tax under this act is levied at a rate of 6%, this subdivision does not apply to a wide area telecommunication service or a similar type service, an 800 prefix service or similar type service, an interstate private network and related usage charges, or an international call either inbound or outbound.

(d) The laundering or cleaning of textiles under a sale, rental, or service agreement with a term of at least 5 days. This subdivision does not apply to the laundering or cleaning of textiles used by a restaurant or retail sales business. As used in this subdivision, "restaurant" means a food service establishment defined and licensed under the food law of 2000, 2000 PA 92, MCL 289.1101 to 289.8111.

(2) If charges for intrastate telecommunications services or telecommunications services between this state and another state and other billed services not subject to the tax under this act are aggregated with and not separately stated from charges for telecommunications services that are subject to the tax under this act, the nontaxable telecommunications services and other nontaxable billed services are subject to the tax under this act unless the service provider can reasonably identify charges for telecommunications services not subject to the tax under this act from its books and records that are kept in the regular course of business.

(3) If charges for intrastate telecommunications services or telecommunications services between this state and another state and other billed services not subject to the tax under this act are aggregated with and not separately stated from telecommunications services that are subject to the tax under this act, a customer may not rely upon the nontaxability of those telecommunications services and other billed services unless the customer's service provider separately states the charges for nontaxable telecommunications services and other nontaxable billed services from taxable telecommunications services or the service provider elects, after receiving a written request from the customer in the form required by the provider, to provide verifiable data based upon the service provider's books and records that are kept in the regular course of business that reasonably identify the nontaxable services.

Conditional effective date.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 91st Legislature are enacted into law:

(a) Senate Bill No. 824.

(b) Senate Bill No. 1248.

This act is ordered to take immediate effect.
Approved June 21, 2002.
Filed with Secretary of State June 21, 2002.

Compiler's note: Senate Bill No. 824 was filed with the Secretary of State June 21, 2002, and became P.A. 2002, No. 456, Imd. Eff. June 21, 2002.

Senate Bill No. 1248, also referred to in enacting section 1, was filed with the Secretary of State June 21, 2002, and became P.A. 2002, No. 452, Imd. Eff. June 21, 2002.

[No. 456]

(SB 824)

AN ACT to amend 1937 PA 94, entitled "An act to provide for the levy, assessment and collection of a specific excise tax on the storage, use or consumption in this state of tangible personal property and certain services; to appropriate the proceeds thereof; and to prescribe penalties for violations of the provisions of this act," by amending sections 3, 4, and 4q (MCL 205.93, 205.94, and 205.94q), section 3 as amended by 2002 PA 110, section 4 as amended by 2001 PA 39, and section 4q as added by 1999 PA 117, and by adding section 3b; and to repeal acts and parts of acts.

The People of the State of Michigan enact:

205.93 Tax rate; penalties and interest; presumption; collection; price tax base; exemptions; services, information, or records.

Sec. 3. (1) There is levied upon and there shall be collected from every person in this state a specific tax for the privilege of using, storing, or consuming tangible personal property in this state at a rate equal to 6% of the price of the property or services specified in section 3a or 3b. Penalties and interest shall be added to the tax if applicable as provided in this act. For the purpose of the proper administration of this act and to prevent the evasion of the tax, it is presumed that tangible personal property purchased is subject to the tax if brought into the state within 90 days of the purchase date and is considered as acquired for storage, use, or other consumption in this state.

(2) The tax imposed by this section for the privilege of using, storing, or consuming a vehicle, ORV, mobile home, aircraft, snowmobile, or watercraft shall be collected before the transfer of the vehicle, ORV, mobile home, aircraft, snowmobile, or watercraft, except a transfer to a licensed dealer or retailer for purposes of resale that arises by reason of a transaction made by a person who does not transfer vehicles, ORVs, mobile homes, aircraft, snowmobiles, or watercraft in the ordinary course of his or her business done in this state. The tax on a vehicle, ORV, snowmobile, and watercraft shall be collected by the secretary of state before the transfer of the vehicle, ORV, snowmobile, or watercraft registration. The tax on a mobile home shall be collected by the department of consumer and industry services, mobile home commission, or its agent before the transfer of the certificate of title. The tax on an aircraft shall be collected by the department of treasury. Notwithstanding any limitation contained in section 2 and except as provided in this subsection, the price tax base of any vehicle, ORV, mobile home, aircraft, snowmobile, or watercraft subject to taxation under this act shall be not less than its retail dollar value at the time of acquisition as fixed pursuant to rules promulgated by the department. The price tax base of a new or previously owned car or truck held for resale by a dealer and that is not exempt under section 4(1)(c) is the purchase price of the car or truck multiplied by 2.5% plus $30.00 per month beginning with the month that the dealer uses the car or truck in a nonexempt manner.

(3) The following transfers or purchases are not subject to use tax:

(a) A transaction or a portion of a transaction if the transferee or purchaser is the spouse, mother, father, brother, sister, child, stepparent, stepchild, stepbrother, stepsister, grandparent, grandchild, legal ward, or a legally appointed guardian with a certified letter of guardianship, of the transferor.

(b) A transaction or a portion of a transaction if the transfer is a gift to a beneficiary in the administration of an estate.

(c) If a vehicle, ORV, mobile home, aircraft, snowmobile, or watercraft that has once been subjected to the Michigan sales or use tax is transferred in connection with the organization, reorganization, dissolution, or partial liquidation of an incorporated or unincorporated business and the beneficial ownership is not changed.

(d) If an insurance company licensed to conduct business in this state acquires ownership of a late model distressed vehicle as defined in section 12a of the Michigan vehicle code, 1949 PA 300, MCL 257.12a, through payment of damages in response to a claim or when the person who owned the vehicle before the insurance company reacquires ownership from the company as part of the settlement of a claim.

(4) The department may utilize the services, information, or records of any other department or agency of state government in the performance of its duties under this act, and other departments or agencies of state government are required to furnish those services, information, or records upon the request of the department.

205.93b Tax for use or consumption; mobile telecommunications services.

Sec. 3b. (1) The use or consumption of mobile telecommunications services is subject to the tax levied under this act in the same manner as tangible personal property regardless of where the mobile telecommunications services originate, terminate, or pass through, subject to all of the following:

(a) Mobile telecommunications services provided to a customer, the charges for which are billed by or for the customer's home service provider, are considered to be provided by the customer's home service provider if the customer's place of primary use for the mobile telecommunications services is in this state. If the customer's place of primary use for mobile telecommunications services is outside of this state, the mobile telecommunications services are not subject to the tax levied under this act.

(b) A home service provider is responsible for obtaining and maintaining a record of the customer's place of primary use. Subject to subsection (2), in obtaining and maintaining a record of the customer's place of primary use, a home service provider may do all of the following:

(*i*) Rely in good faith on information provided by a customer as to the customer's place of primary use.

(*ii*) Treat the address used for a customer under a service contract or agreement in effect on August 1, 2002 as that customer's place of primary use for the remaining term of the service contract or agreement, excluding any extension or renewal of the service contract or agreement.

(c) Notwithstanding section 9 and subject to subsection (5), if the department chooses to create or provide a database that complies with the provisions of 4 U.S.C. 119, a home service provider shall use that database to determine the assignment of the customer's place of primary use to this state. If a database is not provided by the department, a home service provider may use an enhanced zip code to determine the assignment of the customer's place of primary use to this state. A home service provider that uses a database provided by the department is not liable for any tax that otherwise would be due solely as a result of an error or omission in that database. A home service provider that uses an enhanced zip code is not liable for any tax that otherwise would be due solely as a result of an assignment of a street address to another state if the home provider exercised due diligence to ensure that the appropriate street addresses are assigned to this state.

(d) If a customer believes that the amount of the tax levied under this act or that the home service provider's record of the customer's place of primary use is incorrect, the customer shall notify the home service provider in writing and provide all of the following information:

(*i*) The street address of the customer's place of primary use.

(*ii*) The account name and number for which the customer requests the correction.

(*iii*) A description of the error asserted by the customer.

(*iv*) Any other information that the home service provider reasonably requires to process the request.

(e) Not later than 60 days after the home service provider receives a request under subdivision (d) or subsection (5)(b), the home service provider shall review its record of the customer's place of primary use and the customer's enhanced zip code to determine the correct amount of the tax levied under this act. If the home service provider determines that the tax levied under this act or its record of the customer's place of primary use is incorrect, the home service provider shall correct the error and refund or credit any tax erroneously collected from the customer. A refund under this subdivision shall not exceed a period of 4 years. If the home service provider determines that the tax levied under this act and the customer's place of primary use are correct, the home service provider shall provide a written explanation of that determination to the customer. The procedures prescribed in this subdivision and in subdivision (d) are the first course of remedy available to a customer requesting a correction of the provider's record of place of primary use or a refund of taxes erroneously collected by the home service provider.

(2) If the department makes a final determination that the home service provider's record of a customer's place of primary use is incorrect, the home service provider shall change its records to reflect that final determination. The corrected record of a customer's place of primary use shall be used to calculate the tax levied under this act prospectively, from the date of the department's final determination. The department shall not make a final determination under this subsection before the department has notified the customer that the department has found that the home service provider's record of the customer's place of primary use is incorrect and the customer has been afforded an opportunity to appeal that finding. An appeal to the department shall be conducted according to the provision of section 22 of 1941 PA 122, MCL 205.22.

(3) Notwithstanding section 8 and subject to section 5, if the department makes a final determination under subsection (2) that a customer's place of primary use is incorrect, a home service provider is not liable for any taxes that would have been levied under this act if the customer's place of primary use had been correct.

(4) If charges for mobile telecommunications services and other billed services not subject to the tax levied under this act are aggregated with and not separately stated from charges for mobile telecommunications services that are subject to the tax levied under this act, the nontaxable mobile telecommunications services and other billed services are subject to the tax levied under this act unless the home service provider can reasonably identify billings for services not subject to the tax levied under this act from its books and records kept in the regular course of business.

(5) If charges for mobile telecommunications services and other billed services not subject to the tax levied under this act are aggregated with and not separately stated from charges for mobile telecommunications services that are subject to the tax levied under this act, a customer may not rely upon the exempt status for those mobile

telecommunications services and other billed services unless 1 or more of the following conditions are satisfied:

(a) The customer's home service provider separately states the charges for mobile telecommunications services that are exempt and other exempt billed services from taxable mobile telecommunications services.

(b) The home service provider elects, after receiving a written request from the customer in the form required by the home service provider, to identify the exempt mobile telecommunications services and other exempt billed services by reference to the home service provider's books and records kept in the regular course of business.

(6) This section is repealed as of the date of entry of a final judgment by a court of competent jurisdiction that substantially limits or impairs the essential elements of sections 116 to 126 of title 4 of the United States Code, 4 U.S.C. 116 to 126, and that final judgment is no longer subject to appeal.

(7) For an air-ground radiotelephone service, the tax under this act is imposed at the location of the origination of the air-ground radiotelephone service in this state as identified by the home service provider or information received by the home service provider from its servicing carrier.

(8) As used in this section:

(a) "Air-ground radiotelephone service" means that term as defined in 47 C.F.R. part 22.

(b) "Commercial mobile radio service" means that term as defined in 47 C.F.R. 20.3.

(c) "Charge", "charges", or "charge for mobile telecommunications services" means any charge for, or associated with, the provision of commercial mobile radio service, or any charge for, or associated with, a service provided as an adjunct to a commercial mobile radio service, that is billed to a customer by or for the customer's home service provider regardless of whether individual transmissions originate or terminate within the licensed service area of the home service provider.

(d) "Customer" means 1 of the following, but does not include a reseller or a serving carrier:

(*i*) The person who contracts with the home service provider for mobile telecommunications services.

(*ii*) If the end user of mobile telecommunications services is not the contracting party, then the end user of the mobile telecommunications service. This subparagraph applies only for the purpose of determining the place of primary use.

(e) "Enhanced zip code" means a United States postal zip code of 9 or more digits.

(f) "Home service provider" means the facilities-based carrier or reseller that enters into a contract with a customer for mobile telecommunications services.

(g) "Licensed service area" means the geographic area in which a home service provider is authorized by law or contract to provide commercial mobile radio services to its customers.

(h) "Mobile telecommunications services" means commercial mobile radio services that originate and terminate in the same state or originate in 1 state and terminate in another state. Mobile telecommunications services do not include prepaid mobile telecommunications services or air-ground radiotelephone service.

(i) "Place of primary use" means the residential street address or the primary business street address within the licensed service area of the home service provider at which a customer primarily uses mobile telecommunications services.

(j) "Prepaid mobile telecommunications service" means the advance purchase of exclusive mobile telecommunications services, which enables the origination of calls using an access number or authorization code, whether manually or electronically dialed, if the remaining units of service are known by the provider of the service on a continuous basis.

(k) "Reseller" means a telecommunications services provider who purchases telecommunications services from another telecommunications services provider and then resells the telecommunications services, uses the telecommunications services as a component part of a mobile telecommunications service, or integrates the telecommunications services into a mobile telecommunications service. Reseller does not include a serving carrier.

(*l*) "Serving carrier" means a facilities-based telecommunications services provider that contracts with a home service provider for mobile telecommunications services to a customer outside of the home service provider's or reseller's licensed service area.

205.94 Exemptions.

Sec. 4. (1) The tax levied under this act does not apply to the following, subject to subsection (2):

(a) Property sold in this state on which transaction a tax is paid under the general sales tax act, 1933 PA 167, MCL 205.51 to 205.78, if the tax was due and paid on the retail sale to a consumer.

(b) Property, the storage, use, or other consumption of which this state is prohibited from taxing under the constitution or laws of the United States, or under the constitution of this state.

(c) Property purchased for resale, demonstration purposes, or lending or leasing to a public or parochial school offering a course in automobile driving except that a vehicle purchased by the school shall be certified for driving education and shall not be reassigned for personal use by the school's administrative personnel. For a dealer selling a new car or truck, exemption for demonstration purposes shall be determined by the number of new cars and trucks sold during the current calendar year or the immediately preceding year without regard to specific make or style according to the following schedule of 0 to 25, 2 units; 26 to 100, 7 units; 101 to 500, 20 units; 501 or more, 25 units; but not to exceed 25 cars and trucks in 1 calendar year for demonstration purposes. Property purchased for resale includes promotional merchandise transferred pursuant to a redemption offer to a person located outside this state or any packaging material, other than promotional merchandise, acquired for use in fulfilling a redemption offer or rebate to a person located outside this state.

(d) Property that is brought into this state by a nonresident person for storage, use, or consumption while temporarily within this state, except if the property is used in this state in a nontransitory business activity for a period exceeding 15 days.

(e) Property the sale or use of which was already subjected to a sales tax or use tax equal to, or in excess of, that imposed by this act under the law of any other state or a local governmental unit within a state if the tax was due and paid on the retail sale to the consumer and the state or local governmental unit within a state in which the tax was imposed accords like or complete exemption on property the sale or use of which was subjected to the sales or use tax of this state. If the sale or use of property was already subjected to a tax under the law of any other state or local governmental unit within a state in an amount less than the tax imposed by this act, this act shall apply, but at a rate measured by the difference between the rate provided in this act and the rate by which the previous tax was computed.