

SENATE BILL No. 172

February 23, 1989, Introduced by Senators Barcia, Kelly, Cropsey and Miller and referred to the Committee on Finance.

A bill to amend the title of Act No. 312 of the Public Acts of 1929, entitled "The metropolitan district act," being sections 119.1 to 119.15 of the Michigan Compiled Laws; and to add sections 16, 17, and 18.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. The title of Act No. 312 of the Public Acts of
2 1929, being sections 119.1 to 119.15 of the Michigan Compiled
3 Laws, is amended and sections 16, 17, and 18 are added to read as
4 follows:

TITLE

5
6 An act to provide for the incorporation by any 2 or more
7 cities, villages, or townships, or any combination or parts ~~of~~
8 ~~same~~ THEREOF, of a metropolitan district ~~or districts~~
9 comprising territory within their limits for the purpose of

1 acquiring, owning, and operating ~~, either within or without~~
2 ~~their limits as may be prescribed herein,~~ parks or public utili-
3 ties for supplying sewage disposal, drainage, water, or transpor-
4 tation, or any combination thereof; to provide that ~~any such~~ A
5 district may sell or purchase ~~, either within or without its~~
6 ~~limits as provided herein,~~ sewage disposal, drainage rights,
7 water, or transportation facilities; to provide that ~~any such~~ A
8 district ~~shall have power to~~ MAY acquire and succeed to ~~any or~~
9 ~~all of~~ the rights, obligations, and property of such cities,
10 villages, and townships respecting or connected with such func-
11 tions or public utilities but subject to the approval ~~thereof~~
12 ~~by~~ OF a majority ~~vote~~ of the electors ~~thereof~~ voting there-
13 on; to limit the rate of taxation of ~~such districts for their~~ A
14 DISTRICT FOR ITS municipal purposes and restrict ~~their~~ ITS
15 powers of borrowing money and contracting debts; to provide the
16 method and vote by which charters may be framed, adopted, and
17 amended and laws and ordinances relating to its municipal con-
18 cerns may be enacted; ~~and~~ to define the powers, rights, and
19 liabilities of ~~any such~~ A district; AND TO PROVIDE FOR THE DIS-
20 SOLUTION OF A DISTRICT.

21 SEC. 16. A METROPOLITAN DISTRICT MAY BE DISSOLVED BY RESO-
22 LUTION OF THE LEGISLATIVE BODY OF THE METROPOLITAN DISTRICT AFTER
23 THE REQUIREMENTS OF SECTION 17 HAVE BEEN MET.

24 SEC. 17. (1) PRIOR TO DISSOLUTION OF A METROPOLITAN DIS-
25 TRICT UNDER SECTION 16, THE LEGISLATIVE BODY OF THE METROPOLITAN
26 DISTRICT SHALL DO BOTH OF THE FOLLOWING:

1 (A) PROVIDE WRITTEN NOTICE TO THE LEGISLATIVE BODY OF EACH
2 CITY, VILLAGE, AND TOWNSHIP INCLUDED IN THE DISTRICT OF ITS
3 INTENT TO DISSOLVE THE METROPOLITAN DISTRICT.

4 (B) PREPARE OR CAUSE TO BE PREPARED A FINANCIAL REPORT OF
5 THE ASSETS AND LIABILITIES OF THE METROPOLITAN DISTRICT. THIS
6 REPORT SHALL INCLUDE AN ACCOUNTING OF ALL MONEY HELD BY THE DIS-
7 TRICT, A DESCRIPTION OF ALL OBLIGATIONS OF THE DISTRICT, AN
8 APPRAISAL OR INVENTORY OF ALL OTHER ASSETS OF THE DISTRICT, AND A
9 DESCRIPTION OF ANY ENCUMBRANCES ON THESE ASSETS. A COPY OF THIS
10 REPORT SHALL BE PROVIDED TO THE LEGISLATIVE BODY OF EACH CITY,
11 VILLAGE, OR TOWNSHIP INCLUDED IN THE METROPOLITAN DISTRICT.

12 (2) IF THE FINANCIAL REPORT OF THE METROPOLITAN DISTRICT
13 UNDER SUBSECTION (1) INDICATES THAT THE ASSETS OF THE DISTRICT
14 ARE GREATER THAN THE LIABILITIES, THE LEGISLATIVE BODY OF THE
15 METROPOLITAN DISTRICT SHALL PREPARE A PLAN FOR THE DISPOSITION OF
16 THE ASSETS AND LIABILITIES OF THE DISTRICT. THIS PLAN MAY
17 INCLUDE THE DISPOSAL OF ASSETS IN A MANNER THE LEGISLATIVE BODY
18 CONSIDERS PRUDENT TO DISCHARGE OR SETTLE EXISTING LIABILITIES OF
19 THE METROPOLITAN DISTRICT. THE PLAN MAY ALSO INCLUDE THE TRANS-
20 FER OF AN ASSET OR AN ASSUMABLE LIABILITY TO ANY PERSON, LOCAL
21 UNIT OF GOVERNMENT, OR OTHER PUBLIC AUTHORITY. THE PLAN SHALL
22 PROVIDE FOR THE PROPORTIONAL DISTRIBUTION OF THE ASSETS REMAINING
23 AFTER ALL LIABILITIES TO EACH CITY, VILLAGE, AND TOWNSHIP WITHIN
24 THE METROPOLITAN DISTRICT HAVE BEEN SATISFIED. THE LEGISLATIVE
25 BODY OF EACH CITY, VILLAGE, AND TOWNSHIP IN THE METROPOLITAN DIS-
26 TRICT SHALL PASS A RESOLUTION AGREEING TO A PLAN REQUIRED UNDER
27 THIS SUBSECTION AND AGREEING TO THE DISSOLUTION OF THE DISTRICT.

1 (3) IF THE ASSETS OF THE METROPOLITAN DISTRICT ARE
2 INSUFFICIENT TO MEET EXISTING LIABILITIES, THE LEGISLATIVE BODY
3 OF THE DISTRICT SHALL DO EITHER OF THE FOLLOWING:

4 (A) RAISE TAXES IN THE MANNER PROVIDED IN THIS ACT TO DIS-
5 CHARGE THE LIABILITIES.

6 (B) ENTER INTO A WRITTEN AGREEMENT WITH THE LEGISLATIVE BODY
7 OF EACH CITY, VILLAGE, AND TOWNSHIP INCLUDED IN THE DISTRICT IN
8 WHICH EACH CITY, VILLAGE, AND TOWNSHIP AGREES TO ASSUME A PROPOR-
9 TIONATE SHARE OF THE LIABILITIES OF THE DISTRICT.

10 SEC. 18. (1) UPON DISSOLUTION OF A METROPOLITAN DISTRICT
11 UNDER SECTIONS 16 AND 17, THE LEGISLATIVE BODY OF THE DISTRICT
12 SHALL DEPOSIT ALL RECORDS OF THE METROPOLITAN DISTRICT WITH THE
13 CLERK OF THE COUNTY IN WHICH THE DISTRICT WAS LOCATED, OR, IF THE
14 DISTRICT WAS LOCATED IN MORE THAN 1 COUNTY, WITH THE CLERK OF THE
15 COUNTY IN WHICH THE LARGEST PART OF THE DISTRICT WAS LOCATED, FOR
16 SAFEKEEPING AND REFERENCE.

17 (2) UPON DISSOLUTION OF A METROPOLITAN DISTRICT, THE LEGIS-
18 LATIVE BODY OF THE DISTRICT SHALL NOTIFY THE GOVERNOR, IN WRIT-
19 ING, OF THE DISSOLUTION.

20 Section 2. This amendatory act shall take effect
21 December 31, 1989.