



# HOUSE BILL No. 6049

September 28, 2000, Introduced by Reps. Gosselin and DeVuyst and referred to the Committee on Appropriations.

A bill to amend 1971 PA 140, entitled "Glenn Steil state revenue sharing act of 1971," by amending sections 11 and 13 (MCL 141.911 and 141.913), as amended by 1998 PA 532.

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

1       Sec. 11. (1) For state fiscal years before the 1996-1997  
2 state fiscal year, the department of management and budget shall  
3 cause to be paid during each August, November, February, and May,  
4 to counties on a per capita basis the collections from the state  
5 income tax as certified by the department of treasury for the  
6 quarter periods ending the prior June 30, September 30, December  
7 31, and March 31 that are available for distribution to and  
8 retention by counties.

9       (2) For state fiscal years beginning after September 30,  
10 1992 and ending before October 1, 1996, the collections from the

1 state income tax otherwise available for distribution to counties  
2 in November for the quarter period ending the prior September 30  
3 shall be increased by \$35,900,000.00 and the collections from the  
4 state income tax otherwise available for distribution to counties  
5 in August for the quarter period ending the prior June 30 shall  
6 be decreased by \$35,900,000.00.

7 (3) For the 1996-1997 and 1997-1998 state fiscal years, the  
8 department of treasury shall cause to be paid to counties on a  
9 per capita basis an amount equal to 24.5% of the difference  
10 between 21.3% of the sales tax collections at a rate of 4% in the  
11 12-month period ending June 30 of the state fiscal year in which  
12 the payments are made and the total distribution for the state  
13 fiscal year under section 12a. Subject to section 13d, for the  
14 1998-1999 ~~through 2005-2006~~ AND 1999-2000 state fiscal years,  
15 ~~and for the period of October 1, 2006 through June 30, 2007,~~  
16 the department of treasury shall cause to be paid to counties  
17 both of the following:

18 (a) An amount equal to the amount the county was eligible to  
19 receive under section 12a in the 1997-1998 state fiscal year.

20 (b) An amount equal to 25.06% of 21.3% of the sales tax col-  
21 lections at a rate of 4% in the 12-month period ending June 30 of  
22 the state fiscal year in which the payments are made minus the  
23 amount determined under subdivision (a), which REMAINDER shall be  
24 distributed on a per capita basis. If the amount appropriated  
25 under this section to counties is less than 25.06% of 21.3% of  
26 the sales tax rate of 4%, any reduction made necessary by this

1 appropriation in distributions to counties shall first be applied  
2 to the distribution under this subdivision.

3       (4) ~~After June 30, 2007, 25.06% of 21.3% of the sales tax~~  
4 ~~collections at a rate of 4% shall be distributed to counties as~~  
5 ~~provided by law.~~ FOR STATE FISCAL YEARS BEGINNING AFTER  
6 SEPTEMBER 30, 2000, AN AMOUNT EQUAL TO 25.06% OF 21.3% OF THE  
7 SALES TAX COLLECTIONS AT A RATE OF 4% IN THE 12-MONTH PERIOD  
8 ENDING JUNE 30 OF THE STATE FISCAL YEAR IN WHICH THE PAYMENTS ARE  
9 MADE SHALL BE DISTRIBUTED TO COUNTIES ON A PER CAPITA BASIS.

10       (5) The payments under ~~subsection (3)~~ SUBSECTIONS (3) AND  
11 (4) shall be made from revenues collected during the state fiscal  
12 year in which the payments are made and shall be made during each  
13 October, December, February, April, June, and August. Payments  
14 shall be based on collections from the sales tax at a rate of 4%  
15 in the 2-month period ending the prior August 31, October 31,  
16 December 31, February 28, April 30, and June 30, and for the  
17 1996-1997 and 1997-1998 state fiscal years only the payments  
18 shall be reduced by 1/6 of the total distribution for the state  
19 fiscal year under section 12a. For state fiscal years after the  
20 1995-1996 state fiscal year, the collections from the sales tax  
21 otherwise available for distribution to counties under  
22 ~~subsection (3)~~ SUBSECTIONS (3) AND (4) in December shall be  
23 increased by \$17,000,000.00 and the collections from the sales  
24 tax otherwise available for distribution to counties under  
25 ~~subsection (3)~~ SUBSECTIONS (3) AND (4) in April shall be  
26 decreased by \$17,000,000.00.

1       Sec. 13. (1) This subsection and subsection (2) apply to  
2 distributions to cities, villages, and townships during the state  
3 fiscal years before the 1996-1997 state fiscal year of collec-  
4 tions from the state income tax and single business tax. Except  
5 as otherwise provided in subsection (2), the department of trea-  
6 sury shall cause to be paid to each city, village, and township  
7 its share, computed in accordance with the tax effort formula, of  
8 the following revenues:

9       (a) During each August, November, February, and May, the  
10 collections from the state income tax for the quarter periods  
11 ending the prior June 30, September 30, December 31, and March 31  
12 that are available for distribution to cities, villages, and  
13 townships under the income tax act of 1967, 1967 PA 281,  
14 MCL 206.1 to 206.532.

15       (b) The amount of the collections from the single business  
16 tax available for distribution to cities, villages, and townships  
17 under former section 136 of the single business tax act, 1975  
18 PA 228.

19       (2) The amount of collections of the state income tax other-  
20 wise available for distribution to cities, villages, and town-  
21 ships in November, February, and May, computed in accordance with  
22 the tax effort formula, shall be increased by \$22,600,000.00.  
23 The amount of collections otherwise available for distribution to  
24 cities, villages, and townships in August, computed in accordance  
25 with the tax effort formula, shall be decreased by  
26 \$67,800,000.00.

1           (3) This subsection applies to distributions to cities,  
2 villages, and townships for the 1996-1997 state fiscal year. The  
3 department shall cause to be paid in accordance with the tax  
4 effort formula an amount equal to 75.5% of the difference between  
5 21.3% of the sales tax collections at a rate of 4% in the  
6 12-month period ending June 30 of the state fiscal year in which  
7 the payments are made and the total distribution for the state  
8 fiscal year under section 12a.

9           (4) The department of treasury shall cause to be paid during  
10 the 1997-1998 state fiscal year an amount equal to 75.5% of the  
11 difference between 21.3% of the sales tax collections at a rate  
12 of 4% in the 12-month period ending June 30 of the state fiscal  
13 year in which the payments are made and the total distribution  
14 for the state fiscal year under section 12a, both of the  
15 following:

16           (a) To each city, village, and township, the amount of col-  
17 lections distributed under subsection (3) to cities, villages,  
18 and townships for the 1996-1997 state fiscal year or its pro rata  
19 share of the collections if the collections are less than the  
20 amount of collections distributed under subsection (3) for the  
21 1996-1997 state fiscal year. A city's, village's, or township's  
22 share of revenues under this subdivision shall be computed using  
23 the tax effort formula.

24           (b) To each city, village, and township its share of the  
25 collections to the extent the total collections available for  
26 distribution under this subsection exceed the amount distributed  
27 to cities, villages, and townships under subdivision (a) for the

1 fiscal year. A city's, village's, or township's share of  
2 revenues under this subdivision shall be computed on a per capita  
3 basis.

4 (5) Subject to section 13d, for the 1998-1999 ~~through~~  
5 ~~2005-2006 state fiscal years and for the period of October 1,~~  
6 ~~2006 through June 30, 2007~~ AND 1999-2000 STATE FISCAL YEARS, the  
7 department of treasury shall cause distributions determined under  
8 subsections (6) to ~~(13)~~ (16) to be paid to each city, village,  
9 and township from an amount equal to 74.94% of 21.3% of the sales  
10 tax collections at a rate of 4% in the 12-month period ending  
11 June 30 of the state fiscal year in which the payments are made.  
12 ~~After June 30, 2007, 74.94% of 21.3% of sales tax collections at~~  
13 ~~a rate of 4% shall be distributed to cities, villages, and town-~~  
14 ~~ships as provided by law.~~

15 (6) Subject to section 13d, for the 1998-1999 ~~through~~  
16 ~~2005-2006 state fiscal years and for the period of October 1,~~  
17 ~~2006 through June 30, 2007~~ AND 1999-2000 STATE FISCAL YEARS and  
18 except as provided in subsection (15), the department of treasury  
19 shall cause to be paid \$333,900,000.00 to a city with a popula-  
20 tion of 750,000 or more as the total combined distribution under  
21 this act and section 10 of article IX of the state constitution  
22 of 1963 as annualized for any period of less than 12 months to  
23 that city.

24 (7) Distributions under subsections (8) to (13) to cities,  
25 villages, and townships with populations of less than 750,000  
26 shall be made from the amount available for distribution under

1 this section that remains after the distribution under subsection  
2 (6) is made.

3 (8) Subject to section 13d, for the 1998-1999 ~~through~~  
4 ~~2005-2006 state fiscal years and for the period of October 1,~~  
5 ~~2006 through June 30, 2007~~ AND 1999-2000 STATE FISCAL YEARS, for  
6 cities, villages, and townships with populations of less than  
7 750,000, subject to the limitations under this section, a taxable  
8 value payment shall be made to each city, village, and township  
9 determined as follows:

10 (a) Determine the per capita taxable value for each city,  
11 village, and township by dividing the taxable value of that city,  
12 village, or township by the population of that city, village, or  
13 township.

14 (b) Determine the statewide per capita taxable value by  
15 dividing the total taxable value of all cities, villages, and  
16 townships by the total population of all cities, villages, and  
17 townships.

18 (c) Determine the per capita taxable value ratio for each  
19 city, village, and township by dividing the statewide per capita  
20 taxable value by the per capita taxable value for that city, vil-  
21 lage, or township.

22 (d) Determine the adjusted taxable value population for each  
23 city, village, and township by multiplying the per capita taxable  
24 value ratio as determined under subdivision (c) for that city,  
25 village, or township by the population of that city, village, or  
26 township.

1 (e) Determine the total statewide adjusted taxable value  
2 population which is the sum of all adjusted taxable value  
3 population for all cities, villages, and townships.

4 (f) Determine the taxable value payment rate by dividing  
5 74.94% of 21.3% of the sales tax collections at a rate of 4% in  
6 the 12-month period ending June 30 of the state fiscal year in  
7 which the payments under this subsection are made by 3, and  
8 dividing that result by the total statewide adjusted taxable  
9 value population as determined under subdivision (e).

10 (g) Determine the taxable value payment for each city, vil-  
11 lage, and township by multiplying the result under  
12 subdivision (f) by the adjusted taxable value population for that  
13 city, village, or township.

14 (9) Subject to section 13d, for the 1998-1999 ~~through~~  
15 ~~2005-2006 state fiscal years and for the period of October 1,~~  
16 ~~2006 through June 30, 2007~~ AND 1999-2000 STATE FISCAL YEARS,  
17 subject to the limitations under this section and except as pro-  
18 vided in subsection (14), a unit type population payment shall be  
19 made to each city, village, and township with a population of  
20 less than 750,000 determined as follows:

21 (a) Determine the unit type population weight factor for  
22 each city, village, and township as follows:

23 (i) For a township with a population of 5,000 or less, the  
24 unit type population weight factor is 1.0.

25 (ii) For a township with a population of more than 5,000 but  
26 less than 10,001, the unit type population weight factor is 1.2.



1       (iii) For a township with a population of more than 10,000  
2 but less than 20,001, the unit type population weight factor is  
3 1.44.

4       (iv) For a township with a population of more than 20,000  
5 but less than 40,001, the unit type population weight factor is  
6 1.73.

7       (v) For a township with a population of more than 40,000 but  
8 less than 80,001, the unit type population weight factor is  
9 2.07.

10       (vi) For a township with a population of more than 80,000,  
11 the unit type population weight factor is 2.49.

12       (vii) For a village with a population of 5,000 or less, the  
13 unit type population weight factor is 1.5.

14       (viii) For a village with a population of more than 5,000  
15 but less than 10,001, the unit type population weight factor is  
16 1.8.

17       (ix) For a village with a population of more than 10,000,  
18 the unit type population weight factor is 2.16.

19       (x) For a city with a population of 5,000 or less, the unit  
20 type population weight factor is 2.5.

21       (xi) For a city with a population of more than 5,000 but  
22 less than 10,001, the unit type population weight factor is 3.0.

23       (xii) For a city with a population of more than 10,000 but  
24 less than 20,001, the unit type population weight factor is 3.6.

25       (xiii) For a city with a population of more than 20,000 but  
26 less than 40,001, the unit type population weight factor is  
27 4.32.

1       (xiv) For a city with a population of more than 40,000 but  
2 less than 80,001, the unit type population weight factor is  
3 5.18.

4       (xv) For a city with a population of more than 80,000 but  
5 less than 160,001, the unit type population weight factor is  
6 6.22.

7       (xvi) For a city with a population of more than 160,000 but  
8 less than 320,001, the unit type population weight factor is  
9 7.46.

10       (xvii) For a city with a population of more than 320,000 but  
11 less than 640,001, the unit type population weight factor is  
12 8.96.

13       (xviii) For a city with a population of more than 640,000,  
14 the unit type population weight factor is 10.75.

15       (b) Determine the adjusted unit type population for each  
16 city, village, and township by multiplying the unit type popula-  
17 tion weight factor for that city, village, or township as deter-  
18 mined under subdivision (a) by the population of the city, vil-  
19 lage, or township.

20       (c) Determine the total statewide adjusted unit type popula-  
21 tion, which is the sum of the adjusted unit type population for  
22 all cities, villages, and townships.

23       (d) Determine the unit type population payment rate by  
24 dividing 74.94% of 21.3% of the sales tax collections at a rate  
25 of 4% in the 12-month period ending June 30 of the state fiscal  
26 year in which the payments under this subsection are made by 3,

1 and then dividing that result by the total statewide adjusted  
2 unit type population as determined under subdivision (c).

3 (e) Determine the unit type population payment for each  
4 city, village, and township by multiplying the result under sub-  
5 division (d) by the adjusted unit type population for that city,  
6 village, or township.

7 (10) Subject to section 13d, for the 1998-1999 ~~through~~  
8 ~~2005-2006 state fiscal years and for the period of October 1,~~  
9 ~~2006 through June 30, 2007~~ AND 1999-2000 STATE FISCAL YEARS,  
10 subject to the limitations under this section, a yield equaliza-  
11 tion payment shall be made to each city, village, and township  
12 with a population of less than 750,000 sufficient to provide the  
13 guaranteed tax base for a local tax effort not to exceed 0.02.  
14 The payment shall be determined as follows:

15 (a) The guaranteed tax base is the maximum combined state  
16 and local per capita taxable value that can be guaranteed in a  
17 state fiscal year to each city, village, and township for a local  
18 tax effort not to exceed 0.02 if an amount equal to 74.94% of  
19 21.3% of the state sales tax at a rate of 4% is distributed to  
20 cities, villages, and townships whose per capita taxable value is  
21 below the guaranteed tax base.

22 (b) The full yield equalization payment to each city, vil-  
23 lage, and township is the product of the amounts determined under  
24 subparagraphs (i) and (ii):

25 (i) An amount greater than zero that is equal to the differ-  
26 ence between the guaranteed tax base determined in

1 subdivision (a) and the per capita taxable value of the city,  
2 village, or township.

3 (ii) The local tax effort of the city, village, or township,  
4 not to exceed 0.02, multiplied by the population of that city,  
5 village, or township.

6 (c) The yield equalization payment is the full yield equali-  
7 zation payment divided by 3.

8 (11) For THE 1998-1999 AND 1999-2000 state fiscal years,  
9 ~~after the 1997-1998 state fiscal year,~~ distributions under this  
10 section for cities, villages, and townships with populations of  
11 less than 750,000 shall be determined as follows:

12 (a) For the 1998-1999 state fiscal year, the payment under  
13 this section for each city, village, and township shall be the  
14 sum of the following:

15 (i) Ninety percent of the total amount available for distri-  
16 bution under subsections (8), (9), and (10) for the 1998-1999  
17 state fiscal year multiplied by the city's, village's, or  
18 township's percentage share of the distributions under this sec-  
19 tion and section 12a minus the amount of a distribution under  
20 this section and section 12a to a city that is eligible to  
21 receive a distribution under subsection (6) in the 1997-1998  
22 state fiscal year.

23 (ii) Ten percent of the total amount available for distribu-  
24 tion under subsections (8), (9), and (10) for the 1998-1999 state  
25 fiscal year multiplied by the percentage share of the distribu-  
26 tion amounts calculated under subsections (8), (9), and (10).

1 (b) For the 1999-2000 state fiscal year, the payment under  
2 this section for each city, village, and township shall be the  
3 sum of the following:

4 (i) Eighty percent of the total amount available for distri-  
5 bution under subsections (8), (9), and (10) for the 1999-2000  
6 state fiscal year multiplied by the city's, village's, or  
7 township's percentage share of the distributions under this sec-  
8 tion and section 12a minus the amount of a distribution under  
9 this section and section 12a to a city that is eligible to  
10 receive a distribution under subsection (6) in the 1997-1998  
11 state fiscal year.

12 (ii) Twenty percent of the total amount available for dis-  
13 tribution under subsections (8), (9), and (10) for the 1999-2000  
14 state fiscal year multiplied by the city's, village's, or  
15 township's percentage share of the distribution amounts calcu-  
16 lated under subsections (8), (9), and (10).

17 ~~(c) For the 2000-2001 state fiscal year, the payment under~~  
18 ~~this section for each city, village, and township shall be the~~  
19 ~~sum of the following:~~

20 ~~(i) Seventy percent of the total amount available for dis-~~  
21 ~~tribution under subsections (8), (9), and (10) for the 2000-2001~~  
22 ~~state fiscal year multiplied by the city's, village's, or~~  
23 ~~township's percentage share of the distributions under this sec-~~  
24 ~~tion and section 12a minus the amount of a distribution under~~  
25 ~~this section and section 12a to a city that is eligible to~~  
26 ~~receive a distribution under subsection (6) in the 1997-1998~~  
27 ~~state fiscal year.~~

1       ~~(ii) Thirty percent of the total amount available for~~  
2 ~~distribution under subsections (8), (9), and (10) for the~~  
3 ~~2000-2001 state fiscal year multiplied by the percentage share of~~  
4 ~~the distribution amounts calculated under subsections (8), (9),~~  
5 ~~and (10).~~

6       ~~(d) For the 2001-2002 state fiscal year, the payment under~~  
7 ~~this section for each city, village, and township shall be the~~  
8 ~~sum of the following:~~

9       ~~(i) Sixty percent of the total amount available for distri-~~  
10 ~~bution under subsections (8), (9), and (10) for the 2001-2002~~  
11 ~~state fiscal year multiplied by the city's, village's, or~~  
12 ~~township's percentage share of the distributions under this sec-~~  
13 ~~tion and section 12a minus the amount of a distribution under~~  
14 ~~this section and section 12a to a city that is eligible to~~  
15 ~~receive a distribution under subsection (6) in the 1997-1998~~  
16 ~~state fiscal year.~~

17       ~~(ii) Forty percent of the total amount available for distri-~~  
18 ~~bution under subsections (8), (9), and (10) for the 2001-2002~~  
19 ~~state fiscal year multiplied by the percentage share of the dis-~~  
20 ~~tribution amounts calculated under subsections (8), (9), and~~  
21 ~~(10).~~

22       ~~(e) For the 2002-2003 state fiscal year, the payment under~~  
23 ~~this section for each city, village, and township shall be the~~  
24 ~~sum of the following:~~

25       ~~(i) Fifty percent of the total amount available for distri-~~  
26 ~~bution under subsections (8), (9), and (10) for the 2002-2003~~  
27 ~~state fiscal year multiplied by the city's, village's, or~~

~~1 township's percentage share of the distributions under this  
2 section and section 12a minus the amount of a distribution under  
3 this section and section 12a to a city that is eligible to  
4 receive a distribution under subsection (6) in the 1997-1998  
5 state fiscal year.~~

~~6 (ii) Fifty percent of the total amount available for distri-  
7 bution under subsections (8), (9), and (10) for the 2002-2003  
8 state fiscal year multiplied by the percentage share of the dis-  
9 tribution amounts calculated under subsections (8), (9), and  
10 (10).~~

~~11 (f) For the 2003-2004 state fiscal year, the payment under  
12 this section for each city, village, and township shall be the  
13 sum of the following:~~

~~14 (i) Forty percent of the total amount available for distri-  
15 bution under subsections (8), (9), and (10) for the 2003-2004  
16 state fiscal year multiplied by the city's, village's, or  
17 township's percentage share of the distributions under this sec-  
18 tion and section 12a minus the amount of a distribution under  
19 this section and section 12a to a city that is eligible to  
20 receive a distribution under subsection (6) in the 1997-1998  
21 state fiscal year.~~

~~22 (ii) Sixty percent of the total amount available for distri-  
23 bution under subsections (8), (9), and (10) for the 2003-2004  
24 state fiscal year multiplied by the percentage share of the dis-  
25 tribution amounts calculated under subsections (8), (9), and  
26 (10).~~

1       ~~(g) For the 2004=2005 state fiscal year, the payment under~~  
2 ~~this section for each city, village, and township shall be the~~  
3 ~~sum of the following:~~

4       ~~(i) Thirty percent of the total amount available for distri-~~  
5 ~~bution under subsections (8), (9), and (10) for the 2004=2005~~  
6 ~~state fiscal year multiplied by the city's, village's, or~~  
7 ~~township's percentage share of the distributions under this sec-~~  
8 ~~tion and section 12a minus the amount of a distribution under~~  
9 ~~this section and section 12a to a city that is eligible to~~  
10 ~~receive a distribution under subsection (6) in the 1997=1998~~  
11 ~~state fiscal year.~~

12       ~~(ii) Seventy percent of the total amount available for dis-~~  
13 ~~tribution under subsections (8), (9), and (10) for the 2004=2005~~  
14 ~~state fiscal year multiplied by the percentage share of the dis-~~  
15 ~~tribution amounts calculated under subsections (8), (9), and~~  
16 ~~(10).~~

17       ~~(h) For the 2005=2006 state fiscal year, the payment under~~  
18 ~~this section for each city, village, and township shall be the~~  
19 ~~sum of the following:~~

20       ~~(i) Twenty percent of the total amount available for distri-~~  
21 ~~bution under subsections (8), (9), and (10) for the 2005=2006~~  
22 ~~state fiscal year multiplied by the city's, village's, or~~  
23 ~~township's percentage share of the distributions under this sec-~~  
24 ~~tion and section 12a minus the amount of a distribution under~~  
25 ~~this section and section 12a to a city that is eligible to~~  
26 ~~receive a distribution under subsection (6) in the 1997=1998~~  
27 ~~state fiscal year.~~



1       ~~(ii) Eighty percent of the total amount available for~~  
2 ~~distribution under subsections (8), (9), and (10) for the~~  
3 ~~2005-2006 state fiscal year multiplied by the percentage share of~~  
4 ~~the distribution amounts calculated under subsections (8), (9),~~  
5 ~~and (10).~~

6       ~~(i) For the period of October 1, 2006 through June 30, 2007,~~  
7 ~~the payment under this section for each city, village, and town-~~  
8 ~~ship shall be the sum of the following:~~

9       ~~(i) Ten percent of the total amount available for distribu-~~  
10 ~~tion under subsections (8), (9), and (10) for the 2006-2007 state~~  
11 ~~fiscal year multiplied by the city's, village's, or township's~~  
12 ~~percentage share of the distributions under this section and sec-~~  
13 ~~tion 12a minus the amount of a distribution under this section~~  
14 ~~and section 12a to a city that is eligible to receive a distribu-~~  
15 ~~tion under subsection (6) in the 1997-1998 state fiscal year.~~

16       ~~(ii) Ninety percent of the total amount available for dis-~~  
17 ~~tribution under subsections (8), (9), and (10) for the 2006-2007~~  
18 ~~state fiscal year multiplied by the percentage share of the dis-~~  
19 ~~tribution amounts calculated under subsections (8), (9), and~~  
20 ~~(10).~~

21       (12) Except as otherwise provided in this subsection, FOR  
22 STATE FISCAL YEARS BEFORE THE 2000-2001 STATE FISCAL YEAR, the  
23 total payment to any city, village, or township under this act  
24 and section 10 of article IX of the state constitution of 1963  
25 shall not increase by more than 8% over the amount of the payment  
26 under this act and section 10 of article IX of the state  
27 constitution of 1963 in the immediately preceding state fiscal

1 year. From the amount not distributed because of the limitation  
2 imposed by this subsection, the department shall distribute an  
3 amount to certain cities, villages, and townships such that the  
4 percentage increase in the total payment under this act and sec-  
5 tion 10 of article IX of the state constitution of 1963 from the  
6 immediately preceding state fiscal year to each of those cities,  
7 villages, and townships is equal to, but does not exceed, the  
8 percentage increase from the immediately preceding state fiscal  
9 year of any city, village, or township that does not receive a  
10 distribution under this subsection. ~~This subsection does not  
11 apply for state fiscal years after the 2000 federal decennial  
12 census becomes official to a city, village, or township with a  
13 10% or more increase in population from the official 1990 federal  
14 decennial census to the official 2000 federal decennial census.~~

15 (13) The percentage allocations to distributions under sub-  
16 sections (8) to (10) pursuant to subsection (11) shall be calcu-  
17 lated as if, in any state fiscal year, the amount appropriated  
18 under this section for distribution to cities, villages, and  
19 townships is 74.94% of 21.3% of the sales tax at a rate of 4%.  
20 If the amount appropriated under this section to cities, vil-  
21 lages, and townships is less than 74.94% of 21.3% of the sales  
22 tax at a rate of 4%, any reduction made necessary by this appro-  
23 priation in distributions to cities, villages, and townships  
24 shall first be applied to the distribution under subsections (8)  
25 to (10) and any remaining amount shall be applied to the other  
26 distributions under this section.

1           (14) ~~A~~ FOR A STATE FISCAL YEAR BEFORE THE 2000-2001 STATE  
2 FISCAL YEAR IN WHICH A township ~~that~~ provides for or makes  
3 available fire, police on a 24-hour basis either through con-  
4 tracting for or directly employing personnel, water to 50% or  
5 more of its residents, and sewer services to 50% or more of its  
6 residents and has a population of 10,000 or more or ~~a township~~  
7 ~~that~~ has a population of 20,000 or more, THE TOWNSHIP shall use  
8 the unit type population weight factor under subsection (9)(a)  
9 for a city with the same population as the township.

10           (15) For a state fiscal year BEFORE THE 2000-2001 STATE  
11 FISCAL YEAR in which the sales tax collections decrease from the  
12 sales tax collections for the immediately preceding state fiscal  
13 year, the department shall reduce the amount to be distributed to  
14 a city with a population of 750,000 or more under subsection (6)  
15 by an amount determined by subtracting the amount the city is  
16 eligible for under section 10 of article IX of the state consti-  
17 tution of 1963 for the state fiscal year from \$333,900,000.00 and  
18 multiplying that result by the same percentage as the percentage  
19 decrease in sales tax collections for that state fiscal year as  
20 compared to sales tax collections for the immediately preceding  
21 state fiscal year.

22           (16) Notwithstanding any other provision of this section,  
23 for the 1998-1999 state fiscal year, the total combined amount  
24 received by each city, village, and township under this section  
25 and section 10 of article IX of the state constitution of 1963  
26 shall not be less than the combined amount received under this  
27 section, section 12a, and section 10 of article IX of the state

1 constitution of 1963 in the 1997-1998 state fiscal year. The  
2 increase, if any, for each city, village, and township from the  
3 1997-1998 state fiscal year, other than a city that receives a  
4 distribution under subsection (6), shall be reduced by a uniform  
5 percentage to the extent necessary to fund distributions under  
6 this subsection.

7 (17) SUBJECT TO SECTION 13D, FOR STATE FISCAL YEARS BEGIN-  
8 NING AFTER SEPTEMBER 30, 2000, THE DEPARTMENT OF TREASURY SHALL  
9 CAUSE TO BE PAID ON A PER CAPITA BASIS TO EACH CITY, VILLAGE, AND  
10 TOWNSHIP AN AMOUNT EQUAL TO 74.94% OF 21.3% OF THE SALES TAX COL-  
11 LECTIONS AT A RATE OF 4% IN THE 12-MONTH PERIOD ENDING JUNE 30 OF  
12 THE STATE FISCAL YEAR IN WHICH THE PAYMENTS ARE MADE.

13 (18) ~~(17)~~ The payments under subsections (3), (4), and (5)  
14 shall be made during each October, December, February, April,  
15 June, and August. Payments under subsections (3), (4), and (5)  
16 shall be based on collections from the sales tax at the rate of  
17 4% in the 2-month period ending the prior August 31, October 31,  
18 December 31, February 28, April 30, and June 30, and for the  
19 1996-1997 and 1997-1998 state fiscal years only, the payments  
20 shall be reduced by 1/6 of the total distribution for the state  
21 fiscal year under section 12a.

22 (19) ~~(18)~~ Payments under this section shall be made from  
23 revenues collected during the state fiscal year in which the pay-  
24 ments are made.

25 (20) ~~(19)~~ Distributions provided for by this act are  
26 subject to an annual appropriation by the legislature.