

**[No. 56]****(SB 299)**

AN ACT to amend 1937 PA 103, entitled “An act to prescribe certain conditions relative to the execution of instruments entitled to be recorded in the office of the register of deeds,” by amending section 1 (MCL 565.201), as amended by 2002 PA 19.

*The People of the State of Michigan enact:*

**565.201 Requirements for recording with register of deeds.**

Sec. 1. (1) An instrument executed after October 29, 1937 by which the title to or any interest in real estate is conveyed, assigned, encumbered, or otherwise disposed of shall not be received for record by the register of deeds of any county of this state unless that instrument complies with each of the following requirements:

(a) The name of each person purporting to execute the instrument is legibly printed, typewritten, or stamped beneath the original signature or mark of the person.

(b) A discrepancy does not exist between the name of each person as printed, typewritten, or stamped beneath their signature and the name as recited in the acknowledgment or jurat on the instrument.

(c) The name of any notary public whose signature appears upon the instrument is legibly printed, typewritten, or stamped upon the instrument immediately beneath the signature of that notary public.

(d) The address of each of the grantees in each deed of conveyance or assignment of real estate, including the street number address if located within territory where street number addresses are in common use, or, if not, the post office address, is legibly printed, typewritten, or stamped on the instrument.

(e) If the instrument is executed before April 1, 1997, each sheet of the instrument is all of the following:

(i) Typewritten or printed in type not smaller than 8-point size.

(ii) Not more than 8-1/2 by 14 inches.

(iii) Legible.

(iv) On paper of not less than 13 (17x22—500) pound weight.

(f) If the instrument is executed after April 1, 1997, each sheet of the instrument complies with all of the following requirements:

(i) Has a margin of unprinted space that is at least 2-1/2 inches at the top of the first page and at least 1/2 inch on all remaining sides of each page.

(ii) Subject to subsection (3), displays on the first line of print on the first page of the instrument a single statement identifying the recordable event that the instrument evidences.

(iii) Is electronically, mechanically, or hand printed in 10-point type or the equivalent of 10-point type.

(iv) Is legibly printed in black ink on white paper that is not less than 20-pound weight.

(v) Is not less than 8-1/2 inches wide and 11 inches long or more than 8-1/2 inches wide and 14 inches long.

(vi) Contains no attachment that is less than 8-1/2 inches wide and 11 inches long or more than 8-1/2 inches wide and 14 inches long.

(g) Unless state or federal law, rule, regulation, or court order or rule requires that all or more than 4 sequential digits of the social security number appear in the instrument, beginning on 1 of the following dates the first 5 digits of any social security number appearing in or on the instrument are obscured or removed:

(i) Except as provided in subparagraph (ii), the effective date of the amendatory act that added this subdivision.

(ii) For an instrument presented to the register of deeds by the department of treasury, April 1, 2008.

(2) Subsection (1)(e) and (f) does not apply to instruments executed outside this state or to the filing or recording of a plat or other instrument, the size of which is regulated by law.

(3) A register of deeds shall not record an instrument executed after April 1, 1997 if the instrument purports to evidence more than 1 recordable event.

(4) Any instrument received and recorded by a register of deeds shall be conclusively presumed to comply with this act. The requirements contained in this act are cumulative to the requirements imposed by any other act relating to the recording of instruments.

(5) An instrument that complies with the provisions of this act and any other act relating to the recording of instruments shall not be rejected for recording because of the content of the instrument.

This act is ordered to take immediate effect.

Approved September 11, 2007.

Filed with Secretary of State September 12, 2007.

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**[No. 57]**

**(SB 301)**

AN ACT to amend 1873 PA 5, entitled “An act to provide for the recording of judgments in actions affecting or relating to the title of real estate,” by amending section 1 (MCL 565.401).

*The People of the State of Michigan enact:*

**565.401 Judgment relating to realty title; copy recordation; effect; social security number; removal.**

Sec. 1. (1) If a final judgment is rendered in any suit or action at law that affects or relates to the title of real estate, by a court with competent jurisdiction, a copy of the judgment, duly certified by the clerk of the court and under the seal of the court, may be received and recorded in the office of the register of deeds for the county where the real estate is situated. When recorded, the judgment has the same effect as evidence and notice of title as the recording of deeds and other conveyances, and the register of deeds is entitled, for the recording of the judgment, to the same fees as for the recording of deeds.

(2) Unless state or federal law, rule, regulation, or court order or rule requires that all or more than 4 sequential digits of the social security number appear in the judgment, a register of deeds shall not receive a judgment for recording unless the first 5 digits of any social security number appearing in or on the judgment are obscured or removed.

This act is ordered to take immediate effect.

Approved September 11, 2007.

Filed with Secretary of State September 12, 2007.

**[No. 58]****(SB 303)**

AN ACT to amend 1875 PA 54, entitled “An act to facilitate the inspection and reproduction of the records and files in the offices of the registers of deeds,” by amending section 1 (MCL 565.551), as amended by 1994 PA 51.

*The People of the State of Michigan enact:*

**565.551 Records of register of deeds; inspection and examination; reproduction; social security numbers; removal.**

Sec. 1. (1) A register of deeds shall furnish proper and reasonable facilities for the inspection and examination of the records and files in his or her office, and for making memorandums or transcripts from the records and files during the usual business hours, to an individual having a lawful purpose to examine the records and files. However, the custodian of the records and files may make reasonable rules and regulations with reference to the inspection and examination of the records and files as is necessary to protect the records and files and to prevent interference with the regular discharge of the duties of the register of deeds.

(2) If an individual requests a reproduction of a record or file of a register of deeds, the register of deeds shall do 1 of the following, at the register of deeds' option:

(a) Reproduce the record or file for the individual pursuant to the records reproduction act, 1992 PA 116, MCL 24.401 to 24.406, using a medium selected by the register of deeds. Unless a different fee is provided for by law, the fee for a reproduction under this subdivision other than a paper copy shall not exceed the reasonable costs to the register of deeds.

(b) Provide equipment for the individual to reproduce the record or file pursuant to the records reproduction act, 1992 PA 116, MCL 24.401 to 24.406, using a medium selected by the register of deeds. Unless a different fee is provided for by law, the fee for a reproduction under this subdivision other than a paper copy shall not exceed the reasonable costs to the register of deeds.

(c) Authorize the individual to reproduce the record or file on the premises using equipment provided by that individual. This subdivision does not apply unless the individual requests authorization to reproduce the record or file using equipment provided by that individual.

(3) A register of deeds may prohibit the reproduction of an instrument temporarily left with the register of deeds to be recorded in the register of deeds' office.

(4) Unless state or federal law, rule, regulation, or court order or rule requires that all or more than 4 sequential digits of the social security number appear in the record or file, if a record or file that contains a social security number is reproduced for or by an individual under subsection (2), the register of deeds may obscure or remove, or require that the individual obscure or remove all or at least the first 5 digits of the social security number from the reproduction before the individual removes the reproduction from the office of the register of deeds.

(5) An individual whose social security number is contained in 1 or more instruments in a county's books of record may request that the register of deeds of that county obscure or remove all or at least the first 5 digits of his or her social security number from copies made of those instruments by recording an affidavit identifying the liber and page of those instruments.

This act is ordered to take immediate effect.

Approved September 11, 2007.

Filed with Secretary of State September 12, 2007.

[No. 59]

(SB 675)

AN ACT to make, supplement, and adjust appropriations for certain capital outlay projects for the fiscal year ending September 30, 2007; to provide for the expenditure of the appropriations; and to prescribe certain conditions for the appropriations.

*The People of the State of Michigan enact:*

PART 1

LINE-ITEM APPROPRIATIONS

**Appropriation; capital outlay.**

Sec. 101. There is appropriated for certain capital outlay projects for the fiscal year ending September 30, 2007, from the following funds:

**CAPITAL OUTLAY**

**APPROPRIATION SUMMARY**

GROSS APPROPRIATION .....	\$	36,148,100
Interdepartmental grant revenues:		
Total interdepartmental grants and intradepartmental transfers.....		0
ADJUSTED GROSS APPROPRIATION .....	\$	36,148,100
Federal revenues:		
Total federal revenues .....		0
Special revenue funds:		
Total local revenues.....		0
Total private revenues.....		0
Total other state restricted revenues .....		36,148,100
State general fund/general purpose .....	\$	0

**Michigan natural resources trust fund.**

**Sec. 102. MICHIGAN NATURAL RESOURCES TRUST**

**FUND**

Natural resources trust fund projects .....	\$	<u>36,148,100</u>
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Trust fund acquisition projects by priority:

- Kamehameha schools development rights purchase, Alger, Baraga, Chippewa, Gogebic, Houghton, Luce, Marquette, Ontonagon, and Schoolcraft counties (#06-128)
- Bur Oak land acquisition, Ottawa County (grant-in-aid to Ottawa County) (#06-208)
- Cedar Run Creek natural area acquisition, Grand Traverse County (grant-in-aid to Long Lake Township) (#06-051)
- Camp Swampy acquisition - Diamond Lake county park, Newaygo County (grant-in-aid to Newaygo County) (#06-204)
- Hyponex wetlands property acquisition, Sanilac County (grant-in-aid to Flynn Township) (#06-093)
- Winter deer habitat initiative, various counties (#06-145)
- Hackett Lake conservation easement, Cheboygan County (#06-135)
- Upper Bushman Lake acquisition, Oakland County (grant-in-aid to Oakland County) (#06-199)
- North shore hunt club acquisition, Antrim County (grant-in-aid to Antrim County) (#06-014)

For Fiscal Year  
Ending Sept. 30,  
2007

- Chief Hazy Cloud Park expansion, Kent County (grant-in-aid to Kent County) (#06-205)
- Inland waters access initiative, various counties statewide (#06-131)
- State park and recreation area consolidation, various counties (#06-141)
- Barrier Dunes sanctuary expansion, Muskegon County (grant-in-aid to White River Township) (#06-096)
- Deerlick Creek Park acquisition, Van Buren County (grant-in-aid to South Haven Township) (#06-210)
- Belle River property acquisition, St. Clair County (grant-in-aid to St. Clair County) (#06-099)
- State forest land consolidation initiative, various counties (#06-137)
- Wildlife land consolidation initiative, various counties statewide (#06-146)
- State railways acquisition initiative, various counties statewide (#06-134)
- Veronica Valley Park, Leelanau County (grant-in-aid to Leelanau County) (#06-024)
- Glacial hills pathway and natural area, Antrim County (grant-in-aid to Forest Home Township) (#06-112)
- Herman Park acquisition, Leelanau County (grant-in-aid to Suttons Bay Township) (#06-110)
- Houghton Lake shore property acquisition, Roscommon County (grant-in-aid to Denton Township) (#06-005)
- Leelanau State Park conservation easement, Leelanau County (#06-142)
- Trisch trust property acquisition, Missaukee County (#06-138)
- Gerrish Township public park - phase 1, Roscommon County (grant-in-aid to Gerrish Township) (#06-036)
- River's Edge Park addition, Kent County (grant-in-aid to Algoma Township) (#06-002)
- Brush Creek Dam and millpond acquisition, Montmorency County (grant-in-aid to village of Hillman) (#06-053)
- Satterlee Park acquisition, Kent County (grant-in-aid to Grattan Township) (#06-087)
- Ontonagon marina acquisition, Ontonagon County (grant-in-aid to village of Ontonagon) (#06-032)
- Township boat launch expansion, Newaygo County (grant-in-aid to Bridgeton Township) (#06-202)
- Black Lake Park expansion, Muskegon County (grant-in-aid to city of Norton Shores) (#06-206)
- Recreation property acquisition, Arenac County (grant-in-aid to city of Standish) (#06-105)
- McNabb Park lake acquisition, Gratiot County (grant-in-aid to city of Ithaca) (#06-061)
- Crooked River access project, Emmet County (grant-in-aid to city of Alanson) (#06-201)
- Trust fund development projects by priority:
- Mount Pisgah Dune protection project, Ottawa County (grant-in-aid to Ottawa County) (#06-067)

- Multi-use shooting sports and education facility, Ingham County (#06-133)
- Accessible hunting/viewing facilities, various counties (#06-147)
- Grand Ledge riverwalk, Eaton County (grant-in-aid to city of Grand Ledge) (#06-118)
- Milford to Kensington metropark trail, Oakland County (grant-in-aid to Milford Township) (#06-074)
- Ellsworth community park enhancements, Antrim County (grant-in-aid to village of Ellsworth) (#06-092)
- Coldwater Springs nature area - linear park, Wayne County (grant-in-aid to Northville Township) (#06-010)
- Wenonah Park renovation, Bay County (grant-in-aid to city of Bay City) (#06-022)
- Ralph A. MacMullan conference center improvements, Crawford County (#06-132)
- Camp Pet-o-se-ga campground facilities, Emmet County (grant-in-aid to Emmet County) (#06-077)
- Iron industry museum interpretive trail system, Marquette County (grant-in-aid to department of history, arts, and libraries) (#06-126)
- Plainfield Township nature park improvements, Iosco County (grant-in-aid to Plainfield Township) (#06-046)
- Lake Lansing trail, Ingham County (grant-in-aid to Ingham County) (#06-020)
- Rogue River trail network extension - Peppler Park, Kent County (grant-in-aid to city of Rockford) (#06-069)
- Campground utility improvements, various counties (#06-140)
- Clam River greenway, Wexford County (grant-in-aid to city of Cadillac) (#06-018)
- Ontonagon Township Park improvements, Ontonagon County (grant-in-aid to Ontonagon Township) (#06-075)
- Carpenter Lake nature interpretive center, Oakland County (grant-in-aid to city of Southfield) (#06-064)
- Upper Peninsula pocket park renovation, Delta County (#06-127)
- Hunter's point public access enhancement, Keweenaw County (grant-in-aid to Grant Township) (#06-123)
- Reed county park improvements, Gratiot County (grant-in-aid to Gratiot County) (#06-006)
- Riverside Park improvements, Osceola County (grant-in-aid to city of Evart) (#06-015)
- Tourist park campground expansion, Alger County (grant-in-aid to city of Munising) (#06-082)
- Sanford Lake Park improvements, Midland County (grant-in-aid to Midland County) (#06-029)
- Oscoda beach park boardwalk development, Iosco County (grant-in-aid to Oscoda Township) (#06-090)
- Hunter pool renovation, Ingham County (grant-in-aid to city of Lansing) (#06-050)
- Hubbell Pond Park nonmotorized trail, Oakland County (grant-in-aid to village of Milford) (#06-079)

	For Fiscal Year Ending Sept. 30, 2007
GROSS APPROPRIATION .....	\$ 36,148,100
Appropriated from:	
Special revenue funds:	
Michigan natural resources trust fund .....	36,148,100
State general fund/general purpose .....	\$ 0

PART 2

PROVISIONS CONCERNING APPROPRIATIONS

**GENERAL SECTIONS**

**Total state spending; payments to local units of government.**

Sec. 201. Pursuant to section 30 of article IX of the state constitution of 1963, total state spending under part 1 for the fiscal year ending September 30, 2007 is \$36,148,100.00. State payments to local units of government under this act are \$21,392,700.00 as follows:

Acquisition grants in aid .....	\$ 15,130,800
Development grants in aid.....	6,261,900
Total payments to locals .....	\$ 21,392,700

**Appropriations and expenditures subject to MCL 18.1101 to 18.1594.**

Sec. 202. The appropriations made and the expenditures authorized under this act and the departments, agencies, commissions, boards, offices, and programs for which an appropriation is made under this act are subject to the management and budget act, 1984 PA 431, MCL 18.1101 to 18.1594.

**Administration of natural resources trust fund grants; agreements.**

Sec. 203. The department of natural resources shall require local units of government to enter into agreements with the department of natural resources for the purpose of administering the natural resources trust fund grants identified in part 1. Among other provisions, the agreements shall require that grant recipients agree to dedicate to public outdoor recreation uses in perpetuity the land acquired or developed; to replace lands converted or lost to other than public outdoor recreation use; and, for parcels acquired that are over 5 acres in size, to provide the state with a nonparticipating 1/6 minimum royalty interest in any acquired minerals that are retained by the grant recipient. The agreements shall also provide that the full payments of grants can be made only after proof of acquisition, or completion of the development project, is submitted by the grant recipient and all costs are verified by the department of natural resources.

**Unexpended funds; continuation; reversion.**

Sec. 204. Any unobligated balance in a natural resources trust fund appropriation made under section 102 shall not revert to the funds from which appropriated at the close of the fiscal year, but shall continue until the purpose for which it was appropriated is completed for a period not to exceed 3 fiscal years. The unexpended balance of any natural resources trust fund appropriation made in section 102 remaining after the purpose for which it was

appropriated is completed shall revert to the Michigan natural resources trust fund and be made available for appropriation.

This act is ordered to take immediate effect.

Approved September 11, 2007.

Filed with Secretary of State September 12, 2007.

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**[No. 60]**

**(SB 633)**

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, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts,” by amending section 43537 (MCL 324.43537), as amended by 1996 PA 585.

*The People of the State of Michigan enact:*

**324.43537 Restricted or senior all-species fishing license; eligibility of legally blind; proof of blindness; disabled veteran; eligibility for senior hunting or fishing license; disabled veterans firearm deer season; pilot project; proof of eligibility; processing licenses; appropriations; “disabled veteran” defined.**

Sec. 43537. (1) A resident who is declared legally blind is eligible to purchase a senior restricted or senior all-species fishing license. The department may demand proof of blindness. The licensee, when fishing, shall possess proof of blindness and shall furnish the proof upon the request of a peace officer.

(2) A disabled veteran is eligible to purchase any senior hunting license described in section 43535 or any senior fishing license described in section 43536, or both.

(3) As a pilot project for 2007, there shall be a disabled veterans firearm deer season in at least 3 areas of this state, including Marquette county and deer management units 053 and 064. The disabled veterans firearm deer season shall correspond with the youth firearm deer hunting days, if any, established by order of the commission. A disabled veteran may take 1 deer during the disabled veterans firearm deer season. A disabled veteran taking deer during this season shall possess a current firearm deer license, combination deer license, or antlerless deer license or a deer management assistance permit authorizing the disabled veteran to take a deer with a firearm and issued for the area or land upon which the veteran is hunting. The same kind of deer may be taken during the disabled veterans firearm deer season as during the regular November firearm deer season. This subsection does not limit the authority of the commission under section 40113a to establish a special hunting season in any area of this state for veterans with disabilities or other classes of individuals.

(4) The department may demand proof of eligibility under subsection (2) or (3). The licensee, when hunting or taking aquatic species, as applicable, shall possess proof of his or her eligibility under subsection (2) or (3) and shall furnish the proof upon the request of a peace officer.



(5) The department shall process licenses issued under subsection (2) in the same manner as licenses issued to senior citizens for purposes of receiving appropriations from the legislature under section 43546.

(6) As used in this section, “disabled veteran” means either of the following:

(a) A resident who has been determined by the United States department of veterans affairs to be permanently and totally disabled as a result of military service and entitled to veterans’ benefits at the 100% rate, for a disability other than blindness.

(b) A resident rated by the United States department of veterans affairs as individually unemployable.

This act is ordered to take immediate effect.

Approved September 18, 2007.

Filed with Secretary of State September 18, 2007.

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**[No. 61]**

**(SB 69)**

AN ACT to provide for the establishment of a neighborhood improvement authority; to prescribe the powers and duties of the authority; to correct and prevent deterioration in neighborhoods and certain other areas; to authorize the acquisition and disposal of interests in real and personal property; to authorize the creation and implementation of development plans and development areas; to promote residential and economic growth; to create a board; to prescribe the powers and duties of the board; to authorize the issuance of bonds and other evidences of indebtedness; to authorize the use of tax increment financing; to prescribe powers and duties of certain state officials; to provide for rule promulgation; and to provide for enforcement of the act.

*The People of the State of Michigan enact:*

**125.2911 Short title.**

Sec. 1. This act shall be known and may be cited as the “neighborhood improvement authority act”.

**125.2912 Definitions; A to M.**

Sec. 2. As used in this act:

(a) “Advance” means a transfer of funds made by a municipality to an authority or to another person on behalf of the authority in anticipation of repayment by the authority. Evidence of the intent to repay an advance may include, but is not limited to, an executed agreement to repay, provisions contained in a tax increment financing plan approved prior to the advance, or a resolution of the authority or the municipality.

(b) “Assessed value” means the taxable value as determined under section 27a of the general property tax act, 1893 PA 206, MCL 211.27a.

(c) “Authority” means a neighborhood improvement authority created under this act.

(d) “Board” means the governing body of an authority.

(e) “Captured assessed value” means the amount in any 1 year by which the current assessed value of the development area, including the assessed value of property for which specific local taxes are paid in lieu of property taxes as determined in section 3(d), exceeds

the initial assessed value. The state tax commission shall prescribe the method for calculating captured assessed value.

(f) “Chief executive officer” means the mayor or city manager of a city or the president or village manager of a village.

(g) “Development area” means that area described in section 5 to which a development plan is applicable.

(h) “Development plan” means that information and those requirements for a development area set forth in section 19.

(i) “Development program” means the implementation of the development plan.

(j) “Fiscal year” means the fiscal year of the authority.

(k) “Governing body” or “governing body of a municipality” means the elected body of a municipality having legislative powers.

(l) “Housing” means publicly owned housing, individual or multifamily.

(m) “Initial assessed value” means the assessed value of all the taxable property within the boundaries of the development area at the time the ordinance establishing the tax increment financing plan is approved, as shown by the most recent assessment roll of the municipality at the time the resolution is adopted. Property exempt from taxation at the time of the determination of the initial assessed value shall be included as zero. For the purpose of determining initial assessed value, property for which a specific local tax is paid in lieu of a property tax shall not be considered to be property that is exempt from taxation. The initial assessed value of property for which a specific local tax was paid in lieu of a property tax shall be determined as provided in section 3(d).

(n) “Land use plan” means a plan prepared under former 1921 PA 207 or a site plan under the Michigan zoning enabling act, 2006 PA 110, MCL 125.3101 to 125.3702.

(o) “Municipality” means a city or a village.

### **125.2913 Definitions; O to T.**

Sec. 3. As used in this act:

(a) “Operations” means office maintenance, including salaries and expenses of employees, office supplies, consultation fees, design costs, and other expenses incurred in the daily management of the authority and planning of its activities.

(b) “Parcel” means an identifiable unit of land that is treated as separate for valuation or zoning purposes.

(c) “Public facility” means housing, a street, plaza, pedestrian mall, and any improvements to a street, plaza, or pedestrian mall including street furniture and beautification, park, parking facility, recreational facility, right-of-way, structure, waterway, bridge, lake, pond, canal, utility line or pipe, or building, including access routes designed and dedicated to use by the public generally, or used by a public agency. Public facility includes an improvement to a facility used by the public or a public facility as those terms are defined in section 1 of 1966 PA 1, MCL 125.1351, if the improvement complies with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

(d) “Residential district” means an area of a municipality where 75% or more of the area is zoned for residential housing.

(e) “Specific local tax” means a tax levied under 1974 PA 198, MCL 207.551 to 207.572, the commercial redevelopment act, 1978 PA 255, MCL 207.651 to 207.668, the technology park development act, 1984 PA 385, MCL 207.701 to 207.718, 1953 PA 189, MCL 211.181

to 211.182, the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786, or the commercial rehabilitation act, 2005 PA 210, MCL 207.841 to 207.856. The initial assessed value or current assessed value of property subject to a specific local tax shall be the quotient of the specific local tax paid divided by the ad valorem millage rate. The state tax commission shall prescribe the method for calculating the initial assessed value and current assessed value of property for which a specific local tax was paid in lieu of a property tax.

(f) “State fiscal year” means the annual period commencing October 1 of each year.

(g) “Tax increment revenues” means the amount of ad valorem property taxes and specific local taxes attributable to the application of the levy of all taxing jurisdictions upon the captured assessed value of real and personal property in the development area. Tax increment revenues do not include any of the following:

(i) Taxes under the state education tax act, 1993 PA 331, MCL 211.901 to 211.906.

(ii) Taxes levied by local or intermediate school districts.

(iii) Ad valorem property taxes attributable either to a portion of the captured assessed value shared with taxing jurisdictions within the jurisdictional area of the authority or to a portion of value of property that may be excluded from captured assessed value or specific local taxes attributable to the ad valorem property taxes.

(iv) Ad valorem property taxes excluded by the tax increment financing plan of the authority from the determination of the amount of tax increment revenues to be transmitted to the authority or specific local taxes attributable to the ad valorem property taxes.

(v) Ad valorem property taxes exempted from capture under section 14(5) or specific local taxes attributable to those ad valorem property taxes.

(vi) Ad valorem property taxes specifically levied for the payment of principal and interest of obligations approved by the electors or obligations pledging the unlimited taxing power of the local governmental unit or specific taxes attributable to those ad valorem property taxes.

### **125.2914 Multiple authorities; establishment; authority as public body corporate.**

Sec. 4. (1) Except as otherwise provided in this subsection, a municipality may establish multiple authorities. A parcel of property shall not be included in more than 1 authority created under this act.

(2) An authority is a public body corporate that may sue and be sued in any court of this state. An authority possesses all the powers necessary to carry out its purpose. The enumeration of a power in this act shall not be construed as a limitation upon the general powers of an authority.

### **125.2915 Operation of authority; resolution of intent; public hearing; notice; adoption of ordinance establishing authority; filing; alteration or amendment of boundaries; exclusions; duration.**

Sec. 5. (1) If the governing body of a municipality determines that it is necessary for the best interests of the public to promote residential growth in a residential district and to promote economic growth, the governing body may, by resolution, declare its intention to create and provide for the operation of an authority.

(2) In the resolution of intent, the governing body shall set a date for a public hearing on the adoption of a proposed ordinance creating the authority and designating the boundaries of the development area. Notice of the public hearing shall be published twice in a newspaper of general circulation in the municipality, not less than 20 or more than 40 days before the date of the hearing. Not less than 20 days before the hearing, the governing body proposing to create the authority shall also mail notice of the hearing to the property taxpayers of record in the

proposed development area and to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the authority is established and a tax increment financing plan is approved. Failure of a property taxpayer to receive the notice does not invalidate these proceedings. Notice of the hearing shall be posted in at least 20 conspicuous and public places in the proposed development area not less than 20 days before the hearing. The notice shall state the date, time, and place of the hearing and shall describe the boundaries of the proposed development area. A citizen, taxpayer, or property owner of the municipality or an official from a taxing jurisdiction with millage that would be subject to capture has the right to be heard in regard to the establishment of the authority and the boundaries of the proposed development area. The governing body of the municipality shall not incorporate land into the development area not included in the description contained in the notice of public hearing, but it may eliminate described lands from the development area in the final determination of the boundaries.

(3) Not less than 60 days after the public hearing, if the governing body of the municipality intends to proceed with the establishment of the authority, it shall adopt, by majority vote of its members, an ordinance establishing the authority and designating the boundaries of the development area within which the authority shall exercise its powers. The adoption of the ordinance is subject to any applicable statutory or charter provisions in respect to the approval or disapproval by the chief executive or other officer of the municipality and the adoption of an ordinance over his or her veto. This ordinance shall be filed with the secretary of state promptly after its adoption and shall be published at least once in a newspaper of general circulation in the municipality.

(4) The governing body of the municipality may alter or amend the boundaries of the development area to include or exclude lands from the development area in the same manner as adopting the ordinance creating the authority.

(5) A residential district or development area under this act shall not include an area of a municipality that is part of a residential district or a development area under the historical neighborhood tax increment finance authority act, 2004 PA 530, MCL 125.2841 to 125.2866.

(6) An authority created under this act shall have a duration of not more than 30 years from the date of the resolution creating the authority. The governing body of a municipality may extend the duration of the authority by resolution if the purposes for which the authority was created still exist.

### **125.2916 Annexation or consolidation with another municipality.**

Sec. 6. If a development area is part of an area annexed to or consolidated with another municipality, the authority managing that development area shall become an authority of the annexing or consolidated municipality. Obligations of that authority incurred under a development or tax increment plan, agreements related to a development or tax increment plan, and bonds issued under this act shall remain in effect following the annexation or consolidation.

### **125.2917 Board; chief officer; membership; appointment terms; vacancy; oath; open meetings; removal of member; financial records; writings subject to freedom of information act.**

Sec. 7. (1) An authority shall be under the supervision and control of a board consisting of the chief executive officer of the municipality or his or her designee and not less than 5 or more than 9 members as determined by the governing body of the municipality. Members shall be appointed by the chief executive officer of the municipality, subject to approval by the governing body of the municipality. Not less than a majority of the members shall be persons having an ownership or business interest in property located in the development area.

At least 1 of the members shall be a resident of the development area or of an area within 1/2 mile of any part of the development area. Of the members first appointed, an equal number of the members, as near as is practicable, shall be appointed for 1 year, 2 years, 3 years, and 4 years. A member shall hold office until the member's successor is appointed. After the initial appointment, each member shall serve for a term of 4 years. An appointment to fill a vacancy shall be made by the chief executive officer of the municipality for the unexpired term only. Members of the board shall serve without compensation, but shall be reimbursed for actual and necessary expenses. The chairperson of the board shall be elected by the board.

(2) Before assuming the duties of office, a member shall qualify by taking and subscribing to the constitutional oath of office.

(3) The proceedings and rules of the board are subject to the open meetings act, 1976 PA 267, MCL 15.261 to 15.275. The board shall adopt rules governing its procedure and the holding of regular meetings, subject to the approval of the governing body. Special meetings may be held if called in the manner provided in the rules of the board.

(4) After having been given notice and an opportunity to be heard, a member of the board may be removed for cause by the governing body.

(5) All expense items of the authority shall be publicized monthly and the financial records shall always be open to the public.

(6) A writing prepared, owned, used, in the possession of, or retained by the board in the performance of an official function is subject to the freedom of information act, 1976 PA 442, MCL 15.231 to 15.246.

### **125.2918 Director; compensation; service; eligibility; oath; posting of bond; director as chief executive officer; duties of director; acting director; treasurer; secretary; retention of legal counsel; other personnel.**

Sec. 8. (1) The board may employ and fix the compensation of a director, subject to the approval of the governing body of the municipality. The director shall serve at the pleasure of the board. A member of the board is not eligible to hold the position of director. Before beginning his or her duties, the director shall take and subscribe to the constitutional oath, and furnish bond, by posting a bond in the sum determined in the ordinance establishing the authority payable to the authority for use and benefit of the authority, approved by the board, and filed with the municipal clerk. The premium on the bond shall be considered an operating expense of the authority, payable from funds available to the authority for expenses of operation. The director shall be the chief executive officer of the authority. Subject to the approval of the board, the director shall supervise and be responsible for the preparation of plans and the performance of the functions of the authority in the manner authorized by this act. The director shall attend the meetings of the board and shall provide to the board and to the governing body of the municipality a regular report covering the activities and financial condition of the authority. If the director is absent or disabled, the board may designate a qualified person as acting director to perform the duties of the office. Before beginning his or her duties, the acting director shall take and subscribe to the oath, and furnish bond, as required of the director. The director shall furnish the board with information or reports governing the operation of the authority as the board requires.

(2) The board may employ and fix the compensation of a treasurer, who shall keep the financial records of the authority and who, together with the director, shall approve all vouchers for the expenditure of funds of the authority. The treasurer shall perform all duties delegated to him or her by the board and shall furnish bond in an amount prescribed by the board.

(3) The board may employ and fix the compensation of a secretary, who shall maintain custody of the official seal and of records, books, documents, or other papers not required to be maintained by the treasurer. The secretary shall attend meetings of the board and keep a record of its proceedings and shall perform other duties delegated by the board.

(4) The board may retain legal counsel to advise the board in the proper performance of its duties. The legal counsel shall represent the authority in actions brought by or against the authority.

(5) The board may employ other personnel considered necessary by the board.

### **125.2919 Municipal retirement and insurance programs; participation.**

Sec. 9. The employees of an authority shall be eligible to participate in municipal retirement and insurance programs of the municipality as if they were civil service employees except that the employees of an authority are not civil service employees.

### **125.2920 Authority of board.**

Sec. 10. The board may do any of the following:

(a) Prepare an analysis of economic changes taking place in the development area.

(b) Study and analyze the impact of metropolitan growth upon the development area.

(c) Plan and propose the construction, renovation, repair, remodeling, rehabilitation, restoration, preservation, or reconstruction of a public facility, an existing building, or a multiple-family dwelling unit which may be necessary or appropriate to the execution of a plan which, in the opinion of the board, aids in the residential growth and economic growth of the development area.

(d) Plan, propose, and implement an improvement to a public facility within the development area to comply with the barrier free design requirements of the state construction code promulgated under the Stille-DeRossett-Hale single state construction code act, 1972 PA 230, MCL 125.1501 to 125.1531.

(e) Develop long-range plans, in cooperation with the agency that is chiefly responsible for planning in the municipality, designed to halt the deterioration of property values in the development area and to promote the residential growth and economic growth of the development area, and take steps as may be necessary to persuade property owners to implement the plans to the fullest extent possible.

(f) Implement any plan of development, including housing for low-income individuals, in the development area necessary to achieve the purposes of this act in accordance with the powers of the authority granted by this act.

(g) Make and enter into contracts necessary or incidental to the exercise of its powers and the performance of its duties.

(h) Acquire by purchase or otherwise, on terms and conditions and in a manner the authority considers proper or own, convey, or otherwise dispose of, or lease as lessor or lessee, land and other property, real or personal, or rights or interests in the property, that the authority determines is reasonably necessary to achieve the purposes of this act, and to grant or acquire licenses, easements, and options.

(i) Improve land and construct, reconstruct, rehabilitate, restore and preserve, equip, clear, improve, maintain, repair, and operate any public facility, building, including multiple-family dwellings, and any necessary or desirable appurtenances to those buildings, within the development area for the use, in whole or in part, of any public or private person or corporation, or a combination thereof.

(j) Fix, charge, and collect fees, rents, and charges for the use of any facility, building, or property under its control or any part of the facility, building, or property, and pledge the fees, rents, and charges for the payment of revenue bonds issued by the authority.

(k) Lease, in whole or in part, any facility, building, or property under its control.

(l) Accept grants and donations of property, labor, or other things of value from a public or private source.

(m) Acquire and construct public facilities.

### **125.2921 Financing sources; disposition of money received.**

Sec. 11. (1) The activities of the authority shall be financed from 1 or more of the following sources:

(a) Donations to the authority for the performance of its functions.

(b) Money borrowed and to be repaid as authorized by sections 12 and 13.

(c) Revenues from any property, building, or facility owned, leased, licensed, or operated by the authority or under its control, subject to the limitations imposed upon the authority by trusts or other agreements.

(d) Proceeds of a tax increment financing plan established under sections 14 to 16.

(e) Proceeds from a special assessment district created as provided by law.

(f) Money obtained from other sources approved by the governing body of the municipality or otherwise authorized by law for use by the authority or the municipality to finance a development program.

(2) Money received by the authority and not covered under subsection (1) shall immediately be deposited to the credit of the authority, subject to disbursement under this act. Except as provided in this act, the municipality shall not obligate itself, and shall not be obligated, to pay any sums from public funds, other than money received by the municipality under this section, for or on account of the activities of the authority.

### **125.2922 Borrowing money and issuing negotiable revenue bonds.**

Sec. 12. The authority may borrow money and issue its negotiable revenue bonds under the revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140.

### **125.2923 Acquisition or construction of property; borrowing money and issuing revenue bonds; other financing; securing bonds and notes; pledge; exemption from taxation; exceptions; liability; investments.**

Sec. 13. (1) The authority may with approval of the local governing body borrow money and issue its revenue bonds or notes to finance all or part of the costs of acquiring or constructing property in connection with either of the following:

(a) The implementation of a development plan in the development area.

(b) The refund, or refund in advance, of bonds or notes issued under this section.

(2) Any of the following may be financed by the issuance of revenue bonds or notes:

(a) The cost of purchasing, acquiring, constructing, improving, enlarging, extending, or repairing property in connection with the implementation of a development plan in the development area.

(b) Any engineering, architectural, legal, accounting, or financial expenses.

(c) The costs necessary or incidental to the borrowing of money.

(d) Interest on the bonds or notes during the period of construction.

(e) A reserve for payment of principal and interest on the bonds or notes.

(f) A reserve for operation and maintenance until sufficient revenues have developed.

(3) The authority may secure the bonds and notes by mortgage, assignment, or pledge of the property and any money, revenues, or income received in connection with the property.

(4) A pledge made by the authority is valid and binding from the time the pledge is made. The money or property pledged by the authority immediately is subject to the lien of the pledge without a physical delivery, filing, or further act. The lien of a pledge is valid and binding against parties having claims of any kind in tort, contract, or otherwise, against the authority, whether or not the parties have notice of the lien. Neither the resolution, the trust agreement, nor any other instrument by which a pledge is created must be filed or recorded to be enforceable.

(5) Bonds or notes issued under this section are exempt from all taxation in this state except inheritance and transfer taxes, and the interest on the bonds or notes is exempt from all taxation in this state, notwithstanding that the interest may be subject to federal income tax.

(6) The municipality is not liable on bonds or notes of the authority issued under this section, and the bonds or notes are not a debt of the municipality. The bonds or notes shall contain on their face a statement to that effect.

(7) The bonds and notes of the authority may be invested in by all public officers, state agencies and political subdivisions, insurance companies, banks, savings and loan associations, investment companies, and fiduciaries and trustees, and may be deposited with and received by all public officers and the agencies and political subdivisions of this state for any purpose for which the deposit of bonds is authorized.

**125.2924 Tax increment financing plan; preparation and submission; contents; hearing and approval procedure; agreement with taxing jurisdiction; modification; exemption from tax; separate millage for public library purposes; resolution.**

Sec. 14. (1) If the authority determines that it is necessary for the achievement of the purposes of this act, the authority shall prepare and submit a tax increment financing plan to the governing body of the municipality. The plan shall include a development plan as provided in section 16, a detailed explanation of the tax increment procedure, the maximum amount of bonded indebtedness to be incurred, and the duration of the program, and shall be in compliance with section 15. The plan shall contain a statement of the estimated impact of tax increment financing on the assessed values of all taxing jurisdictions in which the development area is located. The plan may provide for the use of part or all of the captured assessed value, but the portion intended to be used by the authority shall be clearly stated in the tax increment financing plan. The authority or municipality may exclude from captured assessed value growth in property value resulting solely from inflation. The plan shall set forth the method for excluding growth in property value resulting solely from inflation.

(2) Approval of the tax increment financing plan shall comply with the notice, hearing, and disclosure provisions of section 18. If the development plan is part of the tax increment financing plan, only 1 hearing and approval procedure is required for the 2 plans together.

(3) Before the public hearing on the tax increment financing plan, the governing body shall provide a reasonable opportunity to the taxing jurisdictions levying taxes subject to capture to meet with the governing body. The authority shall fully inform the taxing jurisdictions of the fiscal and economic implications of the proposed development area. The taxing jurisdictions may present their recommendations at the public hearing on the tax increment financing plan. The authority may enter into agreements with the taxing jurisdictions and



the governing body of the municipality in which the development area is located to share a portion of the captured assessed value of the development area.

(4) A tax increment financing plan may be modified if the modification is approved by the governing body upon notice and after public hearings and agreements as are required for approval of the original plan.

(5) Not more than 60 days after the public hearing, the governing body in a taxing jurisdiction levying ad valorem property taxes that would otherwise be subject to capture may exempt its taxes from capture by adopting a resolution to that effect and filing a copy with the clerk of the municipality proposing to create the authority. In the event that the governing body levies a separate millage for public library purposes, at the request of the public library board, that separate millage shall be exempt from the capture. The resolution shall take effect when filed with the clerk and remains effective until a copy of a resolution rescinding that resolution is filed with that clerk.

### **125.2925 Tax increment revenues; transmission to authority; expenditures; report on status of tax increment financing account.**

Sec. 15. (1) The municipal and county treasurers shall transmit tax increment revenues to the authority.

(2) The authority shall expend the tax increment revenues received for the development program only under the terms of the tax increment financing plan. Unused funds shall revert proportionately to the respective taxing bodies. Tax increment revenues shall not be used to circumvent existing property tax limitations. The governing body of the municipality may abolish the tax increment financing plan if it finds that the purposes for which it was established are accomplished. However, the tax increment financing plan shall not be abolished until the principal of, and interest on, bonds issued under section 16 have been paid or funds sufficient to make the payment have been segregated.

(3) Annually the authority shall submit to the governing body of the municipality and the state tax commission a report on the status of the tax increment financing account. The report shall include the following:

- (a) The amount and source of revenue in the account.
- (b) The amount in any bond reserve account.
- (c) The amount and purpose of expenditures from the account.
- (d) The amount of principal and interest on any outstanding bonded indebtedness.
- (e) The initial assessed value of the project area.
- (f) The captured assessed value retained by the authority.
- (g) The tax increment revenues received.
- (h) The number of public facilities developed.
- (i) The amount of public housing created or improved.
- (j) The number of jobs created as a result of the implementation of the tax increment financing plan.
- (k) Any additional information the governing body considers necessary.

### **125.2926 Authorization, issuance, and sale of tax increment bonds; limitations; pledge; resolution to create lien on revenues; limited tax pledge.**

Sec. 16. (1) By resolution of its governing body, the authority may authorize, issue, and sell tax increment bonds subject to the limitations set forth in this subsection to finance the

development program of the tax increment financing plan. The tax increment bonds issued by the authority under this subsection shall pledge solely the tax increment revenues of a development area in which the project is located or a development area from which tax increment revenues may be used for this project, or both. In addition or in the alternative, the bonds issued by the authority under this subsection may be secured by any other revenues identified in section 11 as sources of financing for activities of the authority that the authority shall specifically pledge in the resolution. However, except as otherwise provided in this section, the full faith and credit of the municipality shall not be pledged to secure bonds issued under this subsection. The bond issue may include a sum sufficient to pay interest on the tax increment bonds until full development of tax increment revenues from the project and also a sum to provide a reasonable reserve for payment of principal and interest on the bonds. The resolution authorizing the bonds shall create a lien on the tax increment revenues and other revenues pledged by the resolution that shall be a statutory lien and shall be a first lien subject only to liens previously created. The resolution may provide the terms upon which additional bonds may be issued of equal standing and parity of lien as to the tax increment revenues and other revenues pledged under the resolution. Bonds issued under this subsection are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(2) The municipality, by majority vote of the members of its governing body, may make a limited tax pledge to support the authority's tax increment bonds or notes or, if authorized by the voters of the municipality, may pledge its unlimited tax full faith and credit for the payment of the principal of and interest on the authority's tax increment bonds or notes.

### **125.2927 Development plan; contents.**

Sec. 17. (1) If a board decides to finance a project in a development area by the use of revenue bonds as authorized in section 12 or tax increment financing as authorized in sections 14, 15, and 16, it shall prepare a development plan.

(2) The development plan shall contain all of the following:

(a) The designation of boundaries of the development area in relation to highways, streets, streams, or otherwise.

(b) The location and extent of existing streets and other public facilities within the development area, designating the location, character, and extent of the categories of public and private land uses then existing and proposed for the development area, including residential, recreational, commercial, industrial, educational, and other uses, and including a legal description of the development area.

(c) A description of existing improvements in the development area to be demolished, repaired, or altered, a description of any repairs and alterations, and an estimate of the time required for completion.

(d) The location, extent, character, and estimated cost of the improvements including rehabilitation contemplated for the development area and an estimate of the time required for completion.

(e) A statement of the construction or stages of construction planned, and the estimated time of completion of each stage.

(f) A description of any parts of the development area to be left as open space and the use contemplated for the space.

(g) A description of any portions of the development area that the authority desires to sell, donate, exchange, or lease to or from the municipality and the proposed terms.

(h) A description of desired zoning changes and changes in streets, street levels, intersections, or utilities.

(i) An estimate of the cost of the development, a statement of the proposed method of financing the development, and the ability of the authority to arrange the financing.

(j) Designation of the person or persons, natural or corporate, to whom all or a portion of the development is to be leased, sold, or conveyed in any manner and for whose benefit the project is being undertaken if that information is available to the authority.

(k) The procedures for bidding for the leasing, purchasing, or conveying in any manner of all or a portion of the development upon its completion, if there is no express or implied agreement between the authority and persons, natural or corporate, that all or a portion of the development will be leased, sold, or conveyed in any manner to those persons.

(l) The requirement that amendments to an approved development plan or tax increment plan must be submitted by the authority to the governing body for approval or rejection.

(m) Other material that the authority, local public agency, or governing body considers pertinent.

### **125.2928 Development plan; public hearing; notice; opportunity to speak and provide written comment.**

Sec. 18. (1) The governing body, before adoption of an ordinance approving a development plan or tax increment financing plan, shall hold a public hearing on the development plan. Notice of the time and place of the hearing shall be given by publication twice in a newspaper of general circulation designated by the municipality, the first of which shall be not less than 20 days before the date set for the hearing. Notice of the hearing shall be posted in at least 20 conspicuous and public places in the development area not less than 20 days before the hearing. Notice shall also be mailed to all property taxpayers of record in the development area and to the governing body of each taxing jurisdiction levying taxes that would be subject to capture if the tax increment financing plan is approved not less than 20 days before the hearing.

(2) Notice of the time and place of hearing on a development plan shall contain all of the following:

(a) A description of the proposed development area in relation to highways, streets, streams, or otherwise.

(b) A statement that maps, plats, and a description of the development plan, including the method of relocating families and individuals who may be displaced from the area, if any, are available for public inspection at a place designated in the notice.

(c) A statement that all aspects of the development plan will be open for discussion at the public hearing.

(d) Other information that the governing body considers appropriate.

(3) At the time set for the hearing, the governing body shall provide an opportunity for interested persons to speak and shall receive and consider communications in writing. The hearing shall provide the fullest opportunity for expression of opinion, for argument on the merits, and for consideration of documentary evidence pertinent to the development plan. The governing body shall make and preserve a record of the public hearing, including all data presented at the hearing.

### **125.2929 Development plan or tax increment financing plan as public purpose; consideration for approval, rejection, or modification.**

Sec. 19. The governing body after a public hearing on the development plan or the tax increment financing plan, or both, with notice given under section 18, shall determine whether

the development plan or tax increment financing plan constitutes a public purpose. If it determines that the development plan or tax increment financing plan constitutes a public purpose, it shall by ordinance approve or reject the plan, or approve it with modification, based on the following considerations:

- (a) The plan meets the requirements under section 17(2).
- (b) The proposed method of financing the development is feasible and the authority has the ability to arrange the financing.
- (c) The development is reasonable and necessary to carry out the purposes of this act.
- (d) The land included within the development area to be acquired is reasonably necessary to carry out the purposes of the plan and of this act in an efficient and economically satisfactory manner.
- (e) The development plan is in reasonable accord with the land use plan of the municipality.
- (f) Public services, such as fire and police protection and utilities, are or will be adequate to service the project area.
- (g) Changes in zoning, streets, street levels, intersections, and utilities are reasonably necessary for the project and for the municipality.

### **125.2930 Budget; submission; approval; cost of handling and auditing funds.**

Sec. 20. (1) The director of the authority shall submit a budget to the board for the operation of the authority for each fiscal year before the beginning of the fiscal year. The budget shall be prepared in the manner and contain the information required of municipal departments. After review by the board, the budget shall be submitted to the governing body. The governing body must approve the budget before the board may adopt the budget. Unless authorized by the governing body or this act, funds of the municipality shall not be included in the budget of the authority.

(2) The governing body of the municipality may assess a reasonable pro rata share of the funds for the cost of handling and auditing the funds against the funds of the authority, other than those committed, which shall be paid annually by the board pursuant to an appropriate item in its budget.

### **125.2931 Dissolution of authority; property and assets.**

Sec. 21. An authority that has completed the purposes for which it was organized shall be dissolved by ordinance of the governing body. The property and assets of the authority remaining after the satisfaction of the obligations of the authority belong to the municipality.

### **125.2932 Enforcement; rules.**

Sec. 22. (1) The state tax commission may institute proceedings to compel enforcement of this act.

(2) The state tax commission may promulgate rules necessary for the administration of this act under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

This act is ordered to take immediate effect.

Approved September 18, 2007.

Filed with Secretary of State September 19, 2007.

**[No. 62]****(SB 207)**

AN ACT to amend 1995 PA 24, entitled “An act to promote economic growth and job creation within this state; to create and regulate the Michigan economic growth authority; to prescribe the powers and duties of the authority and of state and local officials; to assess and collect a fee; to approve certain plans and the use of certain funds; and to provide qualifications for and determine eligibility for tax credits and other incentives for authorized businesses and for qualified taxpayers,” by amending sections 3 and 8 (MCL 207.803 and 207.808), section 3 as amended by 2006 PA 281 and section 8 as amended by 2006 PA 484.

*The People of the State of Michigan enact:*

**207.803 Definitions.**

Sec. 3. As used in this act:

(a) “Affiliated business” means a business that is 100% owned and controlled by an associated business.

(b) “Associated business” means a business that owns at least 50% of and controls, directly or indirectly, an authorized business.

(c) “Authorized business” means 1 of the following:

(i) A single eligible business with a unique federal employer identification number that has met the requirements of section 8 and with which the authority has entered into a written agreement for a tax credit under section 9.

(ii) A single eligible business with a unique federal employer identification number that has met the requirements of section 8, except as provided in this subparagraph, and with which the authority has entered into a written agreement for a tax credit under section 9. An eligible business is not required to create qualified new jobs or maintain retained jobs if qualified new jobs are created or retained jobs are maintained by an associated or affiliated business.

(iii) A single eligible business with a unique federal employer identification number that has met the requirements of section 8, except as provided in this subparagraph, and with which the authority has entered into a written agreement for a tax credit under section 9. An eligible business is not required to create qualified new jobs or maintain retained jobs if qualified new jobs are created or retained jobs are maintained by a subsidiary business that withholds income and social security taxes, or an employee leasing company or professional employer organization that has entered into a contractual service agreement with the authorized business in which the employee leasing company or professional employer organization withholds income and social security taxes on behalf of the authorized business.

(d) “Authority” means the Michigan economic growth authority created under section 4.

(e) “Business” means proprietorship, joint venture, partnership, limited liability partnership, trust, business trust, syndicate, association, joint stock company, corporation, cooperative, limited liability company, or any other organization.

(f) “Distressed business” means a business that meets all of the following as verified by the Michigan economic growth authority:

(i) Four years immediately preceding the application to the authority under this act, the business had 150 or more full-time jobs in this state.

(ii) Within the immediately preceding 4 years, there has been a reduction of not less than 30% of the number of full-time jobs in this state during any consecutive 3-year period. The highest number of full-time jobs within the consecutive 3-year period shall be used in order to determine the percentage reduction of full-time jobs in this subparagraph.

(iii) Is not a seasonal employer as defined in section 27 of the Michigan employment security act, 1936 (Ex Sess) PA 1, MCL 421.27.

(g) “Eligible business” means a distressed business or business that proposes to maintain retained jobs after December 31, 1999 or to create qualified new jobs in this state after April 18, 1995 in manufacturing, mining, research and development, wholesale and trade, or office operations or a business that is a qualified high-technology business. An eligible business does not include retail establishments, professional sports stadiums, or that portion of an eligible business used exclusively for retail sales. Professional sports stadium does not include a sports stadium in existence on June 6, 2000 that is not used by a professional sports team on the date that an application related to that professional sports stadium is filed under section 8.

(h) “Facility” means a site or sites within this state in which an authorized business or subsidiary business maintains retained jobs or creates qualified new jobs.

(i) “Full-time job” means a job performed by an individual for 35 hours or more each week and whose income and social security taxes are withheld by 1 or more of the following:

(i) An authorized business.

(ii) An employee leasing company.

(iii) A professional employer organization on behalf of the authorized business.

(iv) Another person as provided in section 8(1)(c).

(v) A business that sells all or part of its assets to an eligible business that receives a credit under section 8(1) or (5).

(j) “Local governmental unit” means a county, city, village, or township in this state.

(k) “High-technology activity” means 1 or more of the following:

(i) Advanced computing, which is any technology used in the design and development of any of the following:

(A) Computer hardware and software.

(B) Data communications.

(C) Information technologies.

(ii) Advanced materials, which are materials with engineered properties created through the development of specialized process and synthesis technology.

(iii) Biotechnology, which is any technology that uses living organisms, cells, macromolecules, microorganisms, or substances from living organisms to make or modify a product, improve plants or animals, or develop microorganisms for useful purposes. Biotechnology does not include human cloning as defined in section 16274 of the public health code, 1978 PA 368, MCL 333.16274, or stem cell research with embryonic tissue.

(iv) Electronic device technology, which is any technology that involves microelectronics, semiconductors, electronic equipment, and instrumentation, radio frequency, microwave, and millimeter electronics, and optical and optic-electrical devices, or data and digital communications and imaging devices.

(v) Engineering or laboratory testing related to the development of a product.

(vi) Technology that assists in the assessment or prevention of threats or damage to human health or the environment, including, but not limited to, environmental cleanup technology, pollution prevention technology, or development of alternative energy sources.

(vii) Medical device technology, which is any technology that involves medical equipment or products other than a pharmaceutical product that has therapeutic or diagnostic value and is regulated.

(viii) Product research and development.

(ix) Advanced vehicles technology, which is any technology that involves electric vehicles, hybrid vehicles, or alternative fuel vehicles, or components used in the construction of electric vehicles, hybrid vehicles, or alternative fuel vehicles. For purposes of this act:

(A) “Electric vehicle” means a road vehicle that draws propulsion energy only from an on-board source of electrical energy.

(B) “Hybrid vehicle” means a road vehicle that can draw propulsion energy from both a consumable fuel and a rechargeable energy storage system.

(x) Tool and die manufacturing.

(xi) Competitive edge technology as defined in section 88a of the Michigan strategic fund act, 1984 PA 270, MCL 125.2088a.

(l) “New capital investment” means 1 or more of the following:

(i) New construction. As used in this subparagraph:

(A) “New construction” means property not in existence on the date the authorized business enters into a written agreement with the authority and not replacement construction. New construction includes the physical addition of equipment or furnishings, subject to section 27(2)(a) to (o) of the general property tax act, 1893 PA 206, MCL 211.27.

(B) “Replacement construction” means that term as defined in section 34d(1)(b)(v) of the general property tax act, 1893 PA 206, MCL 211.34d.

(ii) The purchase of new personal property. As used in this subparagraph, “new personal property” means personal property that is not subject to or that is exempt from the collection of taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.155, on the date the authorized business enters into a written agreement with the authority.

(m) “Qualified high-technology business” means a business or facility that is either of the following:

(i) A business with not less than 25% of the total operating expenses of the business used for research and development in the tax year in which the business files an application under this act as determined under generally accepted accounting principles and verified by the authority.

(ii) A business or facility whose primary business activity is high-technology activity.

(n) “Qualified new job” means 1 of the following:

(i) A full-time job created by an authorized business at a facility that is in excess of the number of full-time jobs the authorized business maintained in this state prior to the expansion or location, as determined by the authority.

(ii) For jobs created after July 1, 2000, a full-time job at a facility created by an eligible business that is in excess of the number of full-time jobs maintained by that eligible business in this state up to 120 days before the eligible business became an authorized business, as determined by the authority.

(iii) For a distressed business, a full-time job at a facility that is in excess of the number of full-time jobs maintained by that eligible business in this state on the date the eligible business became an authorized business.

(o) “Retained jobs” means the number of full-time jobs at a facility of an authorized business maintained in this state on a specific date as that date and number of jobs is determined by the authority.

(p) “Rural business” means an eligible business located in a county with a population of 90,000 or less.

(q) “Subsidiary business” means a business that is directly or indirectly controlled or at least 80% owned by an authorized business.

(r) “Written agreement” means a written agreement made pursuant to section 8. A written agreement may address new jobs, qualified new jobs, full-time jobs, retained jobs, or any combination of new jobs, qualified new jobs, full-time jobs, or retained jobs.

**207.808 Agreement for tax credit; determination; requirements; amount and duration of tax credits; additional requirements; authorization of business; written agreement; criteria; limitation on new agreements; execution.**

Sec. 8. (1) After receipt of an application, the authority may enter into an agreement with an eligible business for a tax credit under section 9 if the authority determines that all of the following are met:

(a) Except as provided in subsection (5), the eligible business creates 1 or more of the following within 12 months of the expansion or location as determined by the authority:

(i) A minimum of 50 qualified new jobs at the facility if expanding in this state.

(ii) A minimum of 100 qualified new jobs at the facility if locating in this state.

(iii) A minimum of 25 qualified new jobs at the facility if the facility is located in a neighborhood enterprise zone as determined under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786, is located in a renaissance zone under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, or is located in a federally designated empowerment zone, rural enterprise community, or enterprise community.

(iv) A minimum of 5 qualified new jobs at the facility if the eligible business is a qualified high-technology business.

(v) A minimum of 5 qualified new jobs at the facility if the eligible business is a rural business.

(b) Except as provided in subsection (5), the eligible business agrees to maintain 1 or more of the following for each year that a credit is authorized under this act:

(i) A minimum of 50 qualified new jobs at the facility if expanding in this state.

(ii) A minimum of 100 qualified new jobs at the facility if locating in this state.

(iii) A minimum of 25 qualified new jobs at the facility if the facility is located in a neighborhood enterprise zone as determined under the neighborhood enterprise zone act, 1992 PA 147, MCL 207.771 to 207.786, is located in a renaissance zone under the Michigan renaissance zone act, 1996 PA 376, MCL 125.2681 to 125.2696, or is located in a federally designated empowerment zone, rural enterprise community, or enterprise community.

(iv) If the eligible business is a qualified high-technology business, all of the following apply:

(A) A minimum of 5 qualified new jobs at the facility.

(B) A minimum of 25 qualified new jobs at the facility within 5 years after the date of the expansion or location as determined by the authority and a minimum of 25 qualified new jobs at the facility each year thereafter for which a credit is authorized under this act.

(v) If the eligible business is a rural business, all of the following apply:

(A) A minimum of 5 qualified new jobs at the facility.

(B) A minimum of 25 qualified new jobs at the facility within 5 years after the date of the expansion or location as determined by the authority.

(c) Except as provided in subsection (5) and as otherwise provided in this subdivision, in addition to the jobs specified in subdivision (b), the eligible business, if already located within this state, agrees to maintain a number of full-time jobs equal to or greater than the number of full-time jobs it maintained in this state prior to the expansion, as determined by



the authority. After an eligible business has entered into a written agreement as provided in subsection (2), the authority may adjust the number of full-time jobs required to be maintained by the authorized business under this subdivision, in order to adjust for decreases in full-time jobs in the authorized business in this state due to the divestiture of operations, provided a single other person continues to maintain those full-time jobs in this state. The authority shall not approve a reduction in the number of full-time jobs to be maintained unless the authority has determined that it can monitor the maintenance of the full-time jobs in this state by the other person, and the authorized business agrees in writing that the continued maintenance of the full-time jobs in this state by the other person, as determined by the authority, is a condition of receiving tax credits under the written agreement. A full-time job maintained by another person under this subdivision, that otherwise meets the requirements of section 3(i), shall be considered a full-time job, notwithstanding the requirement that a full-time job be performed by an individual employed by an authorized business, or an employee leasing company or professional employer organization on behalf of an authorized business.

(d) Except as otherwise provided in this subdivision, the average wage paid for all retained jobs and qualified new jobs is equal to or greater than 150% of the federal minimum wage. However, if the eligible business is a qualified high-technology business, then the average wage paid for all qualified new jobs is equal to or greater than 300% of the federal minimum wage.

(e) Except for a qualified high-technology business, the expansion, retention, or location of the eligible business will not occur in this state without the tax credits offered under this act.

(f) Except for an eligible business described in subsection (5)(b)(i), the local governmental unit in which the eligible business will expand, be located, or maintain retained jobs, or a local economic development corporation or similar entity, will make a staff, financial, or economic commitment to the eligible business for the expansion, retention, or location.

(g) The financial statements of the eligible business indicated that it is financially sound or has submitted a chapter 11 plan of reorganization to the bankruptcy court and that its plans for the expansion, retention, or location are economically sound.

(h) Except for an eligible business described in subsection (5)(c), the eligible business has not begun construction of the facility.

(i) The expansion, retention, or location of the eligible business will benefit the people of this state by increasing opportunities for employment and by strengthening the economy of this state.

(j) The tax credits offered under this act are an incentive to expand, retain, or locate the eligible business in Michigan and address the competitive disadvantages with sites outside this state.

(k) A cost/benefit analysis reveals that authorizing the eligible business to receive tax credits under this act will result in an overall positive fiscal impact to the state.

(l) If feasible, as determined by the authority, in locating the facility, the authorized business reuses or redevelops property that was previously used for an industrial or commercial purpose.

(m) If the eligible business is a qualified high-technology business described in section 3(m)(i), the eligible business agrees that not less than 25% of the total operating expenses of the business will be maintained for research and development for the first 3 years of the written agreement.

(2) If the authority determines that the requirements of subsection (1) or (5) have been met, the authority shall determine the amount and duration of tax credits to be authorized

under section 9, and shall enter into a written agreement as provided in this section. The duration of the tax credits shall not exceed 20 years or for an authorized business that is a distressed business, 3 years. In determining the amount and duration of tax credits authorized, the authority shall consider the following factors:

(a) The number of qualified new jobs to be created or retained jobs to be maintained.

(b) The average wage level of the qualified new jobs or retained jobs relative to the average wage paid by private entities in the county in which the facility is located.

(c) The total capital investment or new capital investment the eligible business will make.

(d) The cost differential to the business between expanding, locating, or retaining new jobs in Michigan and a site outside of Michigan.

(e) The potential impact of the expansion, retention, or location on the economy of Michigan.

(f) The cost of the credit under section 9, the staff, financial, or economic assistance provided by the local government unit, or local economic development corporation or similar entity, and the value of assistance otherwise provided by this state.

(3) A written agreement between an eligible business and the authority shall include, but need not be limited to, all of the following:

(a) A description of the business expansion, retention, or location that is the subject of the agreement.

(b) Conditions upon which the authorized business designation is made.

(c) A statement by the eligible business that a violation of the written agreement may result in the revocation of the designation as an authorized business and the loss or reduction of future credits under section 9.

(d) A statement by the eligible business that a misrepresentation in the application may result in the revocation of the designation as an authorized business and the refund of credits received under section 9.

(e) A method for measuring full-time jobs before and after an expansion, retention, or location of an authorized business in this state.

(f) A written certification from the eligible business regarding all of the following:

(i) The eligible business will follow a competitive bid process for the construction, rehabilitation, development, or renovation of the facility, and that this process will be open to all Michigan residents and firms. The eligible business may not discriminate against any contractor on the basis of its affiliation or nonaffiliation with any collective bargaining organization.

(ii) The eligible business will make a good faith effort to employ, if qualified, Michigan residents at the facility.

(iii) The eligible business will make a good faith effort to employ or contract with Michigan residents and firms to construct, rehabilitate, develop, or renovate the facility.

(iv) The eligible business is encouraged to make a good faith effort to utilize Michigan-based suppliers and vendors when purchasing goods and services.

(g) A condition that if the eligible business qualified under subsection (5)(b)(ii) and met the subsection (1)(g) requirement by filing a chapter 11 plan of reorganization, the plan must be confirmed by the bankruptcy court within 6 years of the date of the agreement or the agreement is rescinded.

(4) Upon execution of a written agreement as provided in this section, an eligible business is an authorized business.

(5) After receipt of an application, the authority may enter into a written agreement, which shall include a repayment provision of all or a portion of the credits under section 9 for a violation of the written agreement, with an eligible business that meets 1 or more of the following criteria:

(a) Is located in this state on the date of the application, makes new capital investment of \$250,000,000.00 in this state, and maintains 500 retained jobs, as determined by the authority.

(b) Meets 1 or more of the following criteria:

(i) Relocates production of a product to this state after the date of the application, makes capital investment of \$500,000,000.00 in this state, and maintains 500 retained jobs, as determined by the authority.

(ii) Maintains 150 retained jobs at a facility, maintains 1,000 or more full-time jobs in this state, and makes new capital investment in this state.

(iii) Is located in this state on the date of the application, maintains at least 100 retained jobs at a single facility, and agrees to make new capital investment at that facility equal to the greater of \$100,000.00 per retained job maintained at that facility or \$10,000,000.00 to be completed or contracted for not later than December 31, 2007.

(iv) Maintains 300 retained jobs at a facility; the facility is at risk of being closed and if it were to close, the work would go to a location outside this state, as determined by the authority; new management or new ownership is proposed for the facility that is committed to improve the viability of the facility, unless otherwise provided in this subparagraph; and the tax credits offered under this act are necessary for the facility to maintain operations. The authority may not enter into a written agreement under this subparagraph after December 31, 2007. Of the written agreements entered into under this subparagraph, the authority may enter into 3 written agreements under this subparagraph that are excluded from the requirements of subsection (1)(e), (f), (g), (h), (j), and (k) if the authority considers it in the public interest and if the eligible business would have met the requirements of subsection (1)(e), (i), (j), and (k) within the immediately preceding 6 months from the signing of the written agreement for a tax credit. Of the 3 written agreements described in this subparagraph, the authority may also waive the requirement for new management if the existing management and labor make a commitment to improve the viability and productivity of the facility to better meet international competition as determined by the authority.

(v) Maintains 100 retained jobs at a facility; is a rural business, unless otherwise provided in this subparagraph; the facility is at risk of being closed and if it were to close, the work would go to a location outside this state, as determined by the authority; new management or new ownership is proposed for the facility that is committed to improve the viability of the facility; and the tax credits offered under this act are necessary for the facility to maintain operations. The authority may not enter into a written agreement under this subparagraph after December 31, 2007. Of the written agreements entered into under this subparagraph, the authority may enter into 3 written agreements under this subparagraph that are excluded from the requirements of subsection (1)(e), (f), (g), (h), (j), and (k) if the authority considers it in the public interest and if the eligible business would have met the requirements of subsection (1)(e), (i), (j), and (k) within the immediately preceding 6 months from the signing of the written agreement for a tax credit. Of the 3 written agreements described in this subparagraph, the authority may also waive the requirement that the business be a rural business if the business is located in a county with a population of 500,000 or more and 600,000 or less.

(vi) Maintains 175 retained jobs and makes new capital investment at a facility in a county with a population of not less than 7,500 but not greater than 8,000.

(vii) Is located in this state on the date of the application, maintains at least 675 retained jobs at a facility, agrees to create 400 new jobs, and agrees to make a new capital investment of at least \$45,000,000.00 to be completed or contracted for not later than December 31, 2007. Of the written agreements entered into under this subparagraph, the authority may enter into 1 written agreement under this subparagraph that is excluded from the requirements of subsection (1)(h) if the authority considers it in the public interest.

(viii) Is located in this state on the date of the application, makes new capital investment of \$250,000,000.00 or more in this state, and makes that capital investment at a facility located north of the 45th parallel.

(c) Is a distressed business.

(6) The authority shall not execute more than 25 new written agreements each year for eligible businesses that are not qualified high-technology businesses, distressed businesses, or rural businesses. If the authority executes less than 25 new written agreements in a year, the authority may carry forward for 1 year only the difference between 25 and the number of new agreements executed in the immediately preceding year.

(7) The authority shall not execute more than 50 new written agreements each year for eligible businesses that are qualified high-technology businesses or rural business. Only 25 of the 50 written agreements for businesses that are qualified high-technology businesses or rural business may be executed each year for qualified rural businesses.

(8) The authority shall not execute more than 20 new written agreements each year for eligible businesses that are distressed businesses. The authority shall not execute more than 5 of the written agreements described in this subsection each year for distressed businesses that had 1,000 or more full-time jobs at a facility 4 years immediately preceding the application to the authority under this act.

This act is ordered to take immediate effect.

Approved September 18, 2007.

Filed with Secretary of State September 19, 2007.

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**[No. 63]**

**(HB 4592)**

AN ACT to amend 1976 PA 451, entitled “An act to provide a system of public instruction and elementary and secondary schools; to revise, consolidate, and clarify the laws relating to elementary and secondary education; to provide for the organization, regulation, and maintenance of schools, school districts, public school academies, intermediate school districts, and other public school entities; to prescribe rights, powers, duties, and privileges of schools, school districts, public school academies, intermediate school districts, and other public school entities; to provide for the regulation of school teachers and certain other school employees; to provide for school elections and to prescribe powers and duties with respect thereto; to provide for the levy and collection of taxes; to provide for the borrowing of money and issuance of bonds and other evidences of indebtedness; to establish a fund and provide for expenditures from that fund; to provide for and prescribe the powers and duties of certain state departments, the state board of education, and certain other boards and officials; to provide for licensure of boarding schools; to prescribe penalties; and to repeal acts and parts of acts,” (MCL 380.1 to 380.1852) by adding part 7B.

*The People of the State of Michigan enact:*

PART 7B  
CONSOLIDATION OF SERVICES

**380.761 Intermediate school district; study to share services; report; average cost of services; submission of summary to legislative standing committees; use of funds.**

Sec. 761. (1) Subject to subsection (3), each intermediate school district shall conduct a study concerning opportunities for its constituent districts to share services with other providers of similar services, such as the intermediate school district, 1 or more other school districts or intermediate school districts, other units of local government, or other programs designed to achieve cost savings. The board and other school officials of each constituent district shall cooperate with the intermediate school district in the study. Not later than 6 months after the effective date of this section, each intermediate school district shall submit a report on the results of its study to the department in the form and manner prescribed by the department. An intermediate school district's study and report shall address possibilities for sharing of at least all of the following noninstructional services:

- (a) Pupil transportation for all classes of pupils and all types of programs.
- (b) Human resources administration.
- (c) Procurement of supplies and other purchasing.
- (d) Technology support services, including, but not limited to, information technology.
- (e) Professional development.
- (f) Accounting and other financial services.
- (g) Legal services.
- (h) Food and child nutritional services.
- (i) Event management.
- (j) Production printing and graphics.
- (k) Shipping and receiving services.
- (l) Any other service described in section 627.
- (m) Any other noninstructional services identified by the superintendent of public instruction.

(2) In addition to the requirements of subsection (1), an intermediate school district's report under this section shall include a detailed description of the average cost per constituent district within the intermediate school district for each of the services listed in subsection (1).

(3) If an intermediate school district has already conducted a study that meets the requirements of subsection (1), the intermediate school district is not required to conduct another study but shall submit a report on the results of the study to the department as required under subsections (1) and (2).

(4) Not later than 2 months after receiving the reports from intermediate school districts under this section, the department shall compile this information and submit a summary to the standing committees of the legislature having responsibility for education legislation.

(5) There are sufficient funds allocated to intermediate school districts under section 81 of the state school aid act of 1979, MCL 388.1681, for the purposes of this section, and an

intermediate school district shall use those funds to comply with the requirements of this section.

This act is ordered to take immediate effect.  
Approved September 18, 2007.  
Filed with Secretary of State September 19, 2007.

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**[No. 64]**

**(HB 4861)**

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 321 (MCL 600.321), as amended by 2005 PA 326.

*The People of the State of Michigan enact:*

**600.321 Fees to court of appeals; charge; waiver; deposit; costs.**

Sec. 321. (1) The following fees shall be paid to the clerk of the court of appeals and may be taxed as costs if costs are allowed by order of the court:

(a) For an appeal as of right, for an application for leave to appeal, or for an original proceeding, \$375.00. This fee shall be paid only once for appeals that are taken by multiple parties from the same lower court order or judgment and can be consolidated.

(b) Upon the entry of any motion except a motion described in subdivision (c) upon the motion docket, \$100.00. Beginning October 1, 2012, the fee required under this subdivision is \$75.00.

(c) Upon the entry of a motion for immediate consideration or a motion to expedite appeal upon the motion docket, \$200.00. This fee shall be paid only once regardless of the number of lower court files involved in the appeal. A prosecuting attorney is exempt from paying a fee under this subdivision with regard to an appeal arising out of a criminal proceeding. Beginning October 1, 2012, the fee required under this subdivision is \$150.00.

(2) The clerk of the court of appeals shall charge 50 cents per page for certified copies of entries or papers in any action or proceedings when required for any other purpose than one connected with the progress or disposition of the action or proceeding.

(3) The clerk shall charge 50 cents per page for all uncertified copies of opinions, except those sent to 1 counsel representing each party in the case, for which no charge shall be made.

(4) If a person is unable to pay the fees required by this section, the person, by motion, accompanied by the person’s affidavit stating facts showing that inability, may ask the court to waive the fees and the court or a judge of the court may waive payment of the fees.

(5) Each month the clerk of the court of appeals shall deposit with the state treasurer all fees collected and obtain and file a receipt for the fees deposited.

(6) Costs shall be awarded in the discretion of the court.

This act is ordered to take immediate effect.

Approved September 28, 2007.

Filed with Secretary of State September 28, 2007.

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**[No. 65]**

**(HB 4673)**

AN ACT to amend 1961 PA 39, entitled “An act to regulate insurance, bankruptcy, mortgage, insolvent, assignee’s, executor’s, administrator’s, receiver’s, trustee’s removal and closing out sales, and sales of goods, wares and merchandise damaged by fire, smoke, water or otherwise; to provide penalties for the violation hereof; and to repeal certain acts and parts of acts,” by amending section 6 (MCL 442.216).

*The People of the State of Michigan enact:*

**442.216 Licenses; terms, renewal, fee.**

Sec. 6. (1) A license to conduct a sale issued under this act shall not be issued or valid for a period of more than 30 days from the start of the sale, and the sale may be conducted only during the period set forth in the license.

(2) A license to conduct a sale issued under this act may be renewed not more than twice, for a period not to exceed 30 days for each renewal. A person requesting a renewal under this subsection must provide an affidavit of the licensee that the goods listed in the inventory have not been disposed of and that no new goods have been or will be added to the inventory previously filed pursuant to this act, by purchase, acquisition on consignment, or otherwise. The application for renewal of the license shall be made not more than 13 days before the time of the expiration of the license and shall contain a new inventory of goods remaining on hand at the time the application for renewal is made, prepared and furnished in the same manner and form as the original inventory. A renewal shall not be granted if any goods have been added to the stock listed in the inventory since the date of the issuance of the license.

(3) A fee of \$50.00 shall accompany an application for the license and for the renewal of a license, unless the clerk of the city, village, or township receiving the application waives that fee.

This act is ordered to take immediate effect.

Approved September 28, 2007.

Filed with Secretary of State September 28, 2007.

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**[No. 66]**

**(SB 655)**

AN ACT to amend 1976 PA 388, entitled “An act to regulate political activity; to regulate campaign financing; to restrict campaign contributions and expenditures; to require campaign statements and reports; to regulate anonymous contributions; to regulate campaign advertising and literature; to provide for segregated funds for political purposes; to provide for the use of public funds for political purposes; to create certain funds; to provide for

reversion, retention, or refunding of unexpended balances in certain funds; to require other statements and reports; to regulate acceptance of certain gifts, payments, and reimbursements; to prescribe the powers and duties of certain state departments and state and local officials and employees; to provide appropriations; to prescribe penalties and provide remedies; and to repeal certain acts and parts of acts,” by amending section 61 (MCL 169.261), as amended by 1993 PA 262.

*The People of the State of Michigan enact:*

**169.261 State campaign fund; creation; administration; tax designation; appropriation; distribution of money; transfer to general fund.**

Sec. 61. (1) The state campaign fund is hereby created. The state treasurer shall administer the state campaign fund in accordance with this act.

(2) An individual whose tax liability under the income tax act of 1967, 1967 PA 281, MCL 206.1 to 206.532, for a taxable year is \$3.00 or more may designate that \$3.00 be credited to the state campaign fund. In the case of a joint return of husband and wife having an income tax liability of \$6.00 or more, each spouse may designate that \$3.00 be credited to the state campaign fund.

(3) The tax designation authorized in this section shall be clearly and unambiguously printed on the first page of the state individual income tax return.

(4) Except as otherwise provided in this section, an amount equal to the cumulative amounts designated under subsection (2) each year shall be appropriated annually from the general fund of this state to the state campaign fund to be available beginning January 1 and continuing through December 31 of each year in which a governor is elected. Except as otherwise provided in this section, money appropriated under this section shall not lapse to the general fund but shall remain in the state campaign fund for distribution without fiscal year limitation except that any money remaining in the state campaign fund in excess of \$10,000,000.00 on December 31 immediately following a gubernatorial general election shall lapse to the general fund.

(5) Before the distribution of money under this act to qualifying primary election candidates, the state treasurer shall set aside sufficient money from the state campaign fund to fully implement the formula for distributing money to qualifying general election candidates. If there is insufficient money in the state campaign fund to provide full funding to eligible primary election candidates, the available money shall be distributed to those candidates on a pro rata basis.

(6) For fiscal year 2006-2007 only, \$7,200,000.00 shall be transferred from the state campaign fund to the general fund of this state.

This act is ordered to take immediate effect.

Approved September 28, 2007.

Filed with Secretary of State September 28, 2007.

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**[No. 67]**

**(SB 657)**

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, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts,” by amending section 21506a (MCL 324.21506a), as amended by 2006 PA 318.

*The People of the State of Michigan enact:*

**324.21506a Refined petroleum fund; creation; deposit of money or other assets; investment; money remaining at close of fiscal year; expenditures; purposes; appropriation of surplus funds to environmental protection fund.**

Sec. 21506a. (1) The refined petroleum fund is created within the state treasury.

(2) The state treasurer may receive money or other assets from any source for deposit into the refined petroleum fund. The state treasurer shall direct the investment of the refined petroleum fund. The state treasurer shall credit to the refined petroleum fund interest and earnings from refined petroleum fund investments.

(3) Money in the refined petroleum fund at the close of the fiscal year shall remain in the refined petroleum fund and shall not lapse to the general fund.

(4) Subject to subsection (5), money from the refined petroleum fund shall be expended, upon appropriation, only for 1 or more of the following purposes:

(a) For gasoline inspection programs under both of the following:

(i) The weights and measures act, 1964 PA 283, MCL 290.601 to 290.634.

(ii) The motor fuels quality act, 1984 PA 44, MCL 290.641 to 290.650d.

(b) Not more than \$15,000,000.00 of the money transferred to the refined petroleum fund pursuant to section 21506(6), for the refined petroleum product cleanup initial program and for the department's administrative costs associated with the temporary reimbursement program.

(c) Not more than \$45,000,000.00 of the money transferred to the refined petroleum fund pursuant to section 21506(6), for implementation of the temporary reimbursement program.

(d) For corrective actions necessary to address releases of refined petroleum products under a refined petroleum product cleanup program established by law.

(e) For the reasonable administrative costs of the department, the department of agriculture, the department of attorney general, and the department of treasury in administering the refined petroleum fund and in implementing the programs receiving revenue from the refined petroleum fund.

(5) For the state fiscal year ending September 30, 2007 only, surplus funds of \$70,000,000.00 in the refined petroleum fund are hereby appropriated to the environmental protection fund created in section 503a.

This act is ordered to take immediate effect.

Approved September 28, 2007.

Filed with Secretary of State September 28, 2007.

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[No. 68]

(SB 676)

AN ACT to amend 1976 PA 295, entitled “An act to improve and maintain transportation services in this state; to provide for the acquisition and use of funds; to provide for the acquisition of certain railroad facilities and certain property; to provide for the disposition

and use of facilities and property acquired under this act; to provide for financial assistance to certain private transportation services; to prescribe the powers and duties of certain state departments and agencies; to provide for the transfer of certain funds; to provide for the creation of certain funds; and to provide for appropriations,” by amending section 17a (MCL 474.67a), as added by 2001 PA 126.

*The People of the State of Michigan enact:*

**474.67a Soo Locks fund.**

Sec. 17a. (1) The Soo locks fund is created as a separate restricted account within the comprehensive transportation fund and shall be administered by the department for the purposes of fulfilling the state’s portion of the nonfederal cost share for construction of a new marine lock facility at Sault Ste. Marie, Michigan, as authorized under section 17(1).

(2) The following funds may be deposited into the Soo locks fund:

(a) Comprehensive transportation fund revenues or comprehensive transportation fund bond proceeds.

(b) Other revenues that are appropriated for the purpose of subsection (1).

(3) For each fiscal year, beginning with the fiscal year ending September 30, 2001 and ending with the fiscal year ending September 30, 2050, there is appropriated from the fund an amount necessary to fulfill the terms and conditions of the state’s agreement with the Great Lakes commission, acting in its capacity as the principal fiduciary agent for the nonfederal cost share, for the construction of a new marine lock facility at Sault Ste. Marie, Michigan.

(4) Principal and interest earnings in the fund shall not lapse and shall remain in the fund at the close of the fiscal year and shall carry forward for use for the purposes described in subsection (1), except for the fiscal year ending September 30, 2007 when \$5,270,000.00 shall lapse to the comprehensive transportation fund.

(5) The state treasurer shall direct the investment of the fund. The state treasurer shall credit to the fund interest and earnings from fund investments.

(6) Any unexpended balances remaining in the fund upon fulfillment of the state’s obligation as described in this section shall lapse to the funds from which originally appropriated.

This act is ordered to take immediate effect.

Approved September 28, 2007.

Filed with Secretary of State September 28, 2007.

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**[No. 69]**

**(SB 656)**

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 25 (MCL 205.75), as amended by 2006 PA 69.

*The People of the State of Michigan enact:*

### **205.75 Disposition of money received and collected.**

Sec. 25. (1) All money received and collected under this act shall be deposited by the department in the state treasury to the credit of the general fund, except as otherwise provided in this section.

(2) Fifteen percent of the collections of the tax imposed at a rate of 4% shall be distributed to cities, villages, and townships pursuant to the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.901 to 141.921.

(3) Sixty percent of the collections of the tax imposed at a rate of 4% shall be deposited in the state school aid fund established in section 11 of article IX of the state constitution of 1963 and distributed as provided by law. In addition, all of the collections of the tax imposed at the additional rate of 2% approved by the electors March 15, 1994 shall be deposited in the state school aid fund.

(4) For the fiscal year ending September 30, 1988 and each fiscal year ending after September 30, 1988, of the 25% of the collections of the general sales tax imposed at a rate of 4% directly or indirectly on fuels sold to propel motor vehicles upon highways, on the sale of motor vehicles and on the sale of the parts and accessories of motor vehicles by new and used car businesses, used car businesses, accessory dealer businesses, and gasoline station businesses as classified by the department of treasury remaining after the allocations and distributions are made pursuant to subsections (2) and (3), the following amounts shall be deposited each year into the respective funds:

(a) For the fiscal year ending September 30, 2003 and for the fiscal year ending September 30, 2006 and each fiscal year ending after September 30, 2006, not less than 27.9% to the comprehensive transportation fund. For the fiscal year ending September 30, 2004 through the fiscal year ending September 30, 2005, not less than 24% to the comprehensive transportation fund. For the fiscal year ending September 30, 2006 only, the amount deposited to the comprehensive transportation fund under this subdivision shall be reduced by \$11,100,000.00. For the fiscal year ending September 30, 2007 only, the amount deposited to the comprehensive transportation fund under this subdivision shall be reduced by \$10,270,000.00.

(b) The balance to the state general fund.

(5) After the allocations and distributions are made pursuant to subsections (2) and (3), an amount equal to the collections of the tax imposed at a rate of 4% under this act from the sale at retail of computer software as defined in section 1a shall be deposited in the Michigan health initiative fund created in section 5911 of the public health code, 1978 PA 368, MCL 333.5911, and shall be considered in addition to, and is not intended as a replacement for any other money appropriated to the department of community health. The funds deposited in the Michigan health initiative fund on an annual basis shall not be less than \$9,000,000.00 or more than \$12,000,000.00.

(6) The balance in the state general fund shall be disbursed only on an appropriation or appropriations by the legislature.

This act is ordered to take immediate effect.

Approved September 28, 2007.

Filed with Secretary of State September 28, 2007.

**[No. 70]****(SB 210)**

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 provide appropriations for certain purposes; 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 section 806 (MCL 257.806), as amended by 2006 PA 526.

*The People of the State of Michigan enact:*

**257.806 Certificate of title or duplicate certificate of title; fees; deposit; special expeditious treatment fee; special identifying number; payment and disposition of tire disposal surcharge.**

Sec. 806. (1) Until October 1, 2009, a fee of \$10.00 shall accompany each application for a certificate of title required by this act or for a duplicate of a certificate of title. An additional fee of \$5.00 shall accompany an application if the applicant requests that the application be given special expeditious treatment. A \$3.00 service fee shall be collected, in addition to the other fees collected under this subsection, for each title issued and shall be deposited in the transportation administration collection fund created under section 810b. The \$5.00 expeditious treatment fee collected on and after October 1, 2004 through September 30, 2008 shall be deposited into the transportation administration collection fund created under section 810b.

(2) A fee of \$10.00 shall accompany an application for a special identifying number as provided in section 230.

(3) In addition to paying the fees required by subsection (1), until December 31, 2012, each person who applies for a certificate of title, a salvage vehicle certificate of title, or a scrap certificate of title under this act shall pay a tire disposal surcharge of \$1.50 for each certificate of title or duplicate of a certificate of title that person receives. The secretary of state shall deposit money received under this subsection into the scrap tire regulatory fund created in section 16908 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.16908.

This act is ordered to take immediate effect.

Approved September 28, 2007.

Filed with Secretary of State September 30, 2007.

**[No. 71]****(SB 211)**

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 provide appropriations for certain purposes; 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 section 809 (MCL 257.809), as amended by 2005 PA 141.

*The People of the State of Michigan enact:*

**257.809 Application for transfer of registration; fee; payment of difference in fees; deposit.**

Sec. 809. (1) An application for transfer of registration from a vehicle subject to section 801(1)(a) to another vehicle subject to that section shall be accompanied by a fee of \$8.00. In addition to the fee of \$8.00, if the registration is transferred from a passenger vehicle to a motor home and if the registration fee for the motor home is greater than the fee paid upon registration of the vehicle from which the registration was removed, then the difference in fee shall be paid by the applicant. If the fee is less than that paid for the registration of the vehicle from which the plates were removed, the difference shall not be refunded. The fees required by this subsection shall be considered to include all fees or charges imposed by this act for the transfer of registration, except those which may be assessed under section 234.

(2) An application for a transfer of registration, other than a transfer described in subsection (1), shall be accompanied by a fee of \$8.00. In addition to the fee of \$8.00, if the registration plates are transferred to another vehicle, as provided in section 233, and if the plate fee for a 12-month registration for the vehicle to which the registration is transferred is greater than the plate fee paid upon registration of the vehicle from which the registration was removed, then the difference shall be paid by the applicant for the new registration. If the fee is less than that paid for registration of the vehicle from which the registration was removed, the difference shall not be refunded.

(3) A transfer of registration fee collected under this section on and after October 1, 2004 through September 30, 2008 shall be deposited into the transportation administration collection fund created under section 810b.

This act is ordered to take immediate effect.

Approved September 28, 2007.

Filed with Secretary of State September 30, 2007.

**[No. 72]****(SB 774)**

AN ACT to amend 1985 PA 106, entitled “An act to impose a state excise tax on persons engaged in the business of providing rooms for dwelling, lodging, or sleeping purposes to transient guests in certain counties; to provide for the levy, assessment, and collection of the tax; to provide for the disposition and appropriation of the collections from the tax; to create a convention facility development fund; to authorize the distributions from the fund; to authorize the use of distributions from the tax as security for any bonds, obligations, or other evidences of indebtedness issued to finance convention facilities as provided by law; to prescribe certain other matters relating to bonds, obligations, or other evidences of indebtedness issued for such purposes,” by amending sections 8, 9, and 10 (MCL 207.628, 207.629, and 207.630), section 8 as amended by 1993 PA 58 and section 9 as amended by 2005 PA 312.

*The People of the State of Michigan enact:*

**207.628 State convention facility development fund; creation; disposition of collections; use of fund; contract requirement.**

Sec. 8. (1) The collections from the tax imposed by section 4 shall be deposited in the state treasury, to the credit of the convention facility development fund, which is hereby created within the state treasury. Collections from the additional tax imposed under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, shall also be deposited to the credit of the convention facility development fund.

(2) The convention facility development fund shall be distributed for certain state purposes and to local governmental units for use only for 1 or more of the following purposes:

(a) Acquiring, constructing, improving, enlarging, renewing, replacing, or leasing a convention facility.

(b) In conjunction with an activity listed in subdivision (a), repairing, furnishing, and equipping the convention facility.

(c) Refinancing an activity listed in subdivision (a) or (b).

(d) General fund expenditures.

(3) A contract made by a local governmental unit for the purposes included in subsection (2)(a) or (b) concerning a convention facility funded by distributions pursuant to section 9 shall contain a guaranteed maximum price for the total cost of activities conducted for these purposes pursuant to that contract.

**207.629 Distribution of fund; “qualified local governmental unit” defined; state sports tourism fund; distribution for Super Bowl XL activities; transfer of amount to general fund.**

Sec. 9. (1) On or before the thirtieth day of each month, the state treasurer shall make a distribution from the convention facility development fund to a qualified local governmental unit. The distribution shall be an amount equal to the sum of the collections from the excise tax levied for accommodations under this act for the previous month from the convention hotels in the county in which the convention facility is or is to be located and in any county in which convention hotels are located that is contiguous to the county in which the convention facility is located, or is to be located, and the additional tax imposed under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, for the previous month received in the fund. However, distributions for any state fiscal year to any qualified

local governmental unit shall not exceed an amount equal to the amount pledged, assigned, or dedicated by the qualified local governmental unit pursuant to section 11 for the payment during that state fiscal year of bonds, obligations, or other evidences of indebtedness incurred for the purposes specified in this act, plus any amount necessary to maintain a fully funded debt reserve or other reserves intended to secure the principal and interest on the bonds, obligations, or other evidences of indebtedness as contained in the resolution or ordinance authorizing their issuance.

(2) Notwithstanding the distributions provided by subsection (1), if a local governmental unit becomes a qualified local governmental unit entitled to receive distributions from the tax imposed under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, or from the tax imposed by this act in counties in which the convention facility is located or in a county in which a convention hotel is located that is contiguous to the county in which the convention facility is located, no other qualified local governmental unit is entitled to distributions pursuant to this section for which that qualified local governmental unit has previously become entitled.

(3) As used in this act, “qualified local governmental unit” means a city, village, township, county, or authority that is located in a county in which convention hotels are located and that either is the owner or lessee of a convention facility with 350,000 square feet or more of total exhibit space on July 30, 1985 or, if such a convention facility does not exist, will be the owner or lessee of a convention facility with 350,000 square feet or more of total exhibit space through the application of distributions under this section to the purchase or lease of a convention facility.

(4) Notwithstanding any other provision of this act, after the distributions under subsection (1), and before any distributions under section 10, for fiscal year 2004-2005 only, \$1,075,000.00 shall be distributed to the state sports tourism fund. The money distributed to the state sports tourism fund described in this subsection, including any funds appropriated in fiscal year 2005-2006 from the state convention facility development fund, shall be deducted from the money described in section 10(2)(a) before any distribution is made under section 10(2)(a).

(5) The state sports tourism fund is created within the state treasury.

(6) The state treasurer may receive money or other assets from any source for deposit into the state sports tourism fund. The state treasurer shall direct the investment of the state sports tourism fund. The state treasurer shall credit to the state sports tourism fund interest and earnings from the state sports tourism fund investments.

(7) Money in the state sports tourism fund at the close of the fiscal year shall remain in the state sports tourism fund and shall not lapse to the general fund. However, money remaining in the fund on September 30, 2006, shall lapse to the convention facility development fund.

(8) The department of treasury shall expend money from the state sports tourism fund, upon appropriation, only for grants to Super Bowl XL host committee functions related to hosting, staging, or execution of Super Bowl XL activities or to reimburse a county not more than \$500,000.00 for contributions or grants already made to the Super Bowl XL host committee for functions related to hosting, staging, or execution of Super Bowl XL activities. Money shall not be distributed to the state sports tourism fund that impairs obligations, bonds, or other evidences of indebtedness issued under this act.

(9) The department of treasury shall expend money from the state sports tourism fund, upon appropriation of not more than \$1,000,000.00, for Super Bowl XL host committee functions related to security operations of Super Bowl XL activities. Money shall not be distributed to the state sports tourism fund that impairs obligations, bonds, or other evidences of indebtedness issued under this act.

(10) Notwithstanding any other provision of this act, after the distributions under subsection (1) and before any distributions under section 10, for the fiscal year ending September 30, 2007 only, \$35,000,000.00 is transferred to the general fund and is appropriated for general fund expenditures.

**207.630 Distribution of money remaining in fund; substance abuse treatment; quarterly distributions.**

Sec. 10. (1) Any money remaining in the convention facility development fund that is not used for the bonds, obligations, or other evidences of indebtedness described in section 9 shall be distributed pursuant to subsection (2).

(2) Money in the convention facility development fund shall be distributed as provided in subsection (4) in the following order of priority in the following amounts:

(a) An amount equal to the difference, if any, between the tax imposed under this act in the preceding state fiscal year that is designated under section 9 to a qualified local governmental unit and the tax imposed under this act that is designated under section 9 in the state fiscal year immediately preceding the preceding state fiscal year for the same local governmental unit shall be distributed to that local governmental unit. This subdivision does not apply unless a tax has been imposed under this act in the entire 2 state fiscal years immediately preceding the state fiscal year in which a distribution under this subdivision is made. Any amount distributed under this subdivision shall be used by the local governmental unit only for the retirement of outstanding bonds, obligations, or other evidences of indebtedness incurred for which distributions under section 9 are pledged. A distribution under this subdivision shall not be made to the extent that the obligations, bonds, or other evidences of indebtedness cannot be retired or are not outstanding.

(b) An amount equal to that portion of the liquor tax collected under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, from licensees in counties in which convention hotels are not located shall be distributed to those counties in which convention hotels are not located in the same proportion that the amount of tax collected under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the preceding state fiscal year from the licensees in a county bears to the total tax collections under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the preceding state fiscal year from all counties in which convention hotels are not located.

(c) The remaining money available after distributions under subdivisions (a) and (b) shall be distributed to each county in the following amounts:

(i) The amount of money available to be distributed under this subdivision multiplied by the percentage of collections in the preceding state fiscal year under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, from licensees in counties in which convention hotels are not located shall be distributed to each county in which convention hotels are not located in the same proportion that the amount of tax collected pursuant to section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the preceding state fiscal year from licensees in that county bears to the total tax collections from section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the preceding state fiscal year from all counties in which convention hotels are not located.

(ii) The amount of money available to be distributed under this subdivision multiplied by the percentage of collections in the preceding state fiscal year under section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, from licensees in counties in which convention hotels are located shall be distributed to each county in which convention hotels are located in the same proportion that the amount of tax collected pursuant to section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the preceding state fiscal year from licensees in that county bears to the total tax collections



from section 1207 of the Michigan liquor control code of 1998, 1998 PA 58, MCL 436.2207, in the preceding state fiscal year from all counties in which convention hotels are located. However, in the calculation of the proportion represented by a county's share of distributions under this subparagraph, the amount of the tax collected from licensees in the qualified local governmental unit that received distributions under section 9 in the last state fiscal year shall not be included.

(3) A distribution to a county pursuant to this section shall be included for purposes of the calculations required to be made by section 24e of the general property tax act, 1893 PA 206, MCL 211.24e. If the governing body of a taxing unit approves the additional millage rate under section 24e of the general property tax act, 1893 PA 206, MCL 211.24e, which is due to distributions pursuant to this section, then an amount equal to 50% of the distribution under this section shall be used for substance abuse treatment within the taxing unit.

(4) Beginning October 1, 2007 and each year thereafter, from the revenue collected during the previous quarter, after distributing the monthly payments under section 9(1), the state treasurer shall make quarterly distributions under subsection (2)(b) and (c). From the revenue collected in the last quarter of the state fiscal year, the state treasurer shall make the distribution under subsection (2)(a) prior to any distributions under subsection (2)(b) and (c).

This act is ordered to take immediate effect.

Approved September 30, 2007.

Filed with Secretary of State September 30, 2007.

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**[No. 73]**

**(SB 204)**

AN ACT to amend 1998 PA 386, entitled "An act to codify, revise, consolidate, and classify aspects of the law relating to wills and intestacy, relating to the administration and distribution of estates of certain individuals, relating to trusts, and relating to the affairs of certain individuals under legal incapacity; to provide for the powers and procedures of the court that has jurisdiction over these matters; to provide for the validity and effect of certain transfers, contracts, and deposits that relate to death; to provide procedures to facilitate enforcement of certain trusts; and to repeal acts and parts of acts," by amending section 3805 (MCL 700.3805), as amended by 2000 PA 177.

*The People of the State of Michigan enact:*

**700.3805 Priority of claim payments.**

Sec. 3805. (1) If the applicable estate property is insufficient to pay all claims and allowances in full, the personal representative shall make payment in the following order of priority:

- (a) Costs and expenses of administration.
- (b) Reasonable funeral and burial expenses.
- (c) Homestead allowance.
- (d) Family allowance.
- (e) Exempt property.

(f) Debts and taxes with priority under federal law, including, but not limited to, medical assistance payments that are subject to adjustment or recovery from an estate under section 1917 of the social security act, 42 USC 1396p.

(g) Reasonable and necessary medical and hospital expenses of the decedent's last illness, including a compensation of persons attending the decedent.

(h) Debts and taxes with priority under other laws of this state.

(i) All other claims.

(2) A preference shall not be given in the payment of a claim over another claim of the same class, and a claim due and payable is not entitled to a preference over a claim not due.

(3) If there are insufficient assets to pay all claims in full or to satisfy homestead allowance, family allowance, and exempt property, the personal representative shall certify the amount and nature of the deficiency to the trustee of a trust described in section 7501(1) for payment by the trustee in accordance with section 7502. If the personal representative is aware of other nonprobate transfers that may be liable for claims and allowances, then, unless the will provides otherwise, the personal representative shall proceed to collect the deficiency in a manner reasonable under the circumstances so that each nonprobate transfer, including those made under a trust described in section 7501(1), bears a proportionate share or equitable share of the total burden.

### **Conditional effective date.**

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 374 of the 94th Legislature is enacted into law.

This act is ordered to take immediate effect.

Approved September 30, 2007.

Filed with Secretary of State September 30, 2007.

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**Compiler's note:** Senate Bill No. 374, referred to in enacting section 1, was filed with the Secretary of State September 30, 2007, and became 2007 PA 74, Imd. Eff. Sept. 30, 2007.

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## **[No. 74]**

### **(SB 374)**

AN ACT to amend 1939 PA 280, entitled "An act to protect the welfare of the people of this state; to provide general assistance, hospitalization, infirmary and medical care to poor or unfortunate persons; to provide for compliance by this state with the social security act; to provide protection, welfare and services to aged persons, dependent children, the blind, and the permanently and totally disabled; to administer programs and services for the prevention and treatment of delinquency, dependency and neglect of children; to create a state department of social services; to prescribe the powers and duties of the department; to provide for the interstate and intercounty transfer of dependents; to create county and district departments of social services; to create within certain county departments, bureaus of social aid and certain divisions and offices thereunder; to prescribe the powers and duties of the departments, bureaus and officers; to provide for appeals in certain cases; to prescribe the powers and duties of the state department with respect to county and district departments; to prescribe certain duties of certain other state departments, officers, and agencies; to make an appropriation; to prescribe penalties for the violation of the provisions of this act; and to repeal certain parts of this act on specific dates," (MCL 400.1 to 400.119b) by adding sections 112g, 112h, 112i, 112j, and 112k.

*The People of the State of Michigan enact:*

**400.112g Michigan medicaid estate recovery program; establishment and operation by department of community health; development of voluntary estate preservation program; report; establishment of estate recovery program; waivers and approvals; duties of department; lien.**

Sec. 112g. (1) Subject to section 112c(5), the department of community health shall establish and operate the Michigan medicaid estate recovery program to comply with requirements contained in section 1917 of title XIX. The department of community health shall work with the appropriate state and federal departments and agencies to review options for development of a voluntary estate preservation program. Beginning not later than 180 days after the effective date of the amendatory act that added this section and every 180 days thereafter, the department of community health shall submit a report to the senate and house appropriations subcommittees with jurisdiction over department of community health matters and the senate and house fiscal agencies regarding options for development of the estate preservation program.

(2) The department of community health shall establish an estate recovery program including various estate recovery program activities. These activities shall include, at a minimum, all of the following:

(a) Tracking assets and services of recipients of medical assistance that are subject to estate recovery.

(b) Actions necessary to collect amounts subject to estate recovery for medical services as determined according to subsection (3)(a) provided to recipients identified in subsection (3)(b). Amounts subject to recovery shall not exceed the cost of providing the medical services. Any settlements shall take into account the best interests of the state and the spouse and heirs.

(c) Other activities necessary to efficiently and effectively administer the program.

(3) The department of community health shall seek appropriate changes to the Michigan medicaid state plan and shall apply for any necessary waivers and approvals from the federal centers for medicare and medicaid services to implement the Michigan medicaid estate recovery program. The department of community health shall seek approval from the federal centers for medicare and medicaid regarding all of the following:

(a) Which medical services are subject to estate recovery under section 1917(b)(1)(B)(i) and (ii) of title XIX.

(b) Which recipients of medical assistance are subject to estate recovery under section 1917(a) and (b) of title XIX.

(c) Under what circumstances the program shall pursue recovery from the estates of spouses of recipients of medical assistance who are subject to estate recovery under section 1917(b)(2) of title XIX.

(d) What actions may be taken to obtain funds from the estates of recipients subject to recovery under section 1917 of title XIX, including notice and hearing procedures that may be pursued to contest actions taken under the Michigan medicaid estate recovery program.

(e) Under what circumstances the estates of medical assistance recipients will be exempt from the Michigan medicaid estate recovery program because of a hardship. At the time an individual enrolls in medicaid for long-term care services, the department of community health shall provide to the individual written materials explaining the process for applying for a waiver from estate recovery due to hardship. The department of community health shall

develop a definition of hardship according to section 1917(b)(3) of title XIX that includes, but is not limited to, the following:

(i) An exemption for the portion of the value of the medical assistance recipient's homestead that is equal to or less than 50% of the average price of a home in the county in which the medicaid recipient's homestead is located as of the date of the medical assistance recipient's death.

(ii) An exemption for the portion of an estate that is the primary income-producing asset of survivors, including, but not limited to, a family farm or business.

(iii) A rebuttable presumption that no hardship exists if the hardship resulted from estate planning methods under which assets were diverted in order to avoid estate recovery.

(f) The circumstances under which the department of community health may review requests for exemptions and provide exemptions from the Michigan medicaid estate recovery program for cases that do not meet the definition of hardship developed by the department of community health.

(g) Implementing the provisions of section 1396p(b)(3) of title XIX to ensure that the heirs of persons subject to the Michigan medicaid estate recovery program will not be unreasonably harmed by the provisions of this program.

(4) The department of community health shall not seek medicaid estate recovery if the costs of recovery exceed the amount of recovery available or if the recovery is not in the best economic interest of the state.

(5) The department of community health shall not implement a Michigan medicaid estate recovery program until approval by the federal government is obtained.

(6) The department of community health shall not recover assets from the home of a medical assistance recipient if 1 or more of the following individuals are lawfully residing in that home:

(a) The medical assistance recipient's spouse.

(b) The medical assistance recipient's child who is under the age of 21 years, or is blind or permanently and totally disabled as defined in section 1614 of the social security act, 42 USC 1382c.

(c) The medical assistance recipient's caretaker relative who was residing in the medical assistance recipient's home for a period of at least 2 years immediately before the date of the medical assistance recipient's admission to a medical institution and who establishes that he or she provided care that permitted the medical assistance recipient to reside at home rather than in an institution. As used in this subdivision, "caretaker relative" means any relation by blood, marriage, or adoption who is within the fifth degree of kinship to the recipient.

(d) The medical assistance recipient's sibling who has an equity interest in the medical assistance recipient's home and who was residing in the medical assistance recipient's home for a period of at least 1 year immediately before the date of the individual's admission to a medical institution.

(7) The department of community health shall provide written information to individuals seeking medicaid eligibility for long-term care services describing the provisions of the Michigan medicaid estate recovery program, including, but not limited to, a statement that some or all of their estate may be recovered.

(8) The department of community health shall not charge interest on the balance of any Michigan medicaid estate recovery payments.

(9) The department of community health shall not place or record a lien on qualifying property under the tax equity and fiscal responsibility act of 1982, Public Law 97-424 (TEFRA).

#### **400.112h “Estate” and “property” defined.**

Sec. 112h. For the purposes of sections 112g to 112j:

(a) “Estate” means all property and other assets included within an individual’s estate that is subject to probate administration under article III of the estates and protected individuals code, 1998 PA 386, MCL 700.3101 to 700.3988, except assets otherwise subject to claims under section 3805(3) of the estates and protected individuals code, 1998 PA 386, MCL 700.3805, are not part of the estate.

(b) “Property” means that term as defined in section 1106 of the estates and protected individuals code, 1998 PA 386, MCL 700.1106.

#### **400.112i Use of revenue collected through Michigan Medicaid estate recovery activities; treatment of remaining balances.**

Sec. 112i. Revenue collected through Michigan Medicaid estate recovery activities shall be used to fund the activities of the Michigan Medicaid estate recovery program. Any remaining balances shall be treated as an expenditure credit for long-term care support and services in the medical services appropriation unit of the annual department of community health appropriation.

#### **400.112j Rules; report.**

Sec. 112j. (1) The department of community health may promulgate rules for the Michigan Medicaid estate recovery program according to the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(2) Not later than 1 year after implementation of the Michigan Medicaid estate recovery program and each year after that, the department of community health shall submit a report to the senate and house appropriations subcommittees with jurisdiction over department of community health matters and the senate and house fiscal agencies regarding the cost to administer the Michigan Medicaid estate recovery program and the amounts recovered under the Michigan Medicaid estate recovery program.

#### **400.112k Applicability of program to certain medical assistance recipients.**

Sec. 112k. The Michigan Medicaid estate recovery program shall only apply to medical assistance recipients who began receiving Medicaid long-term care services after the effective date of the amendatory act that added this section.

#### **Conditional effective date.**

Enacting section 1. This amendatory act does not take effect unless Senate Bill No. 204 of the 94th Legislature is enacted into law.

This act is ordered to take immediate effect.

Approved September 30, 2007.

Filed with Secretary of State September 30, 2007.

**[No. 75]****(HB 5242)**

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, assessments, and donations; to provide certain appropriations; to prescribe penalties and provide remedies; and to repeal acts and parts of acts,” by amending sections 3122, 5522, 11135, 11153, 11525a, 12103, 12109, and 12112 (MCL 324.3122, 324.5522, 324.11135, 324.11153, 324.11525a, 324.12103, 324.12109, and 324.12112), section 3122 as added by 2004 PA 90, section 5522 as amended by 2005 PA 169, sections 11135, 12103, 12109, and 12112 as amended and section 11153 as added by 2001 PA 165, and section 11525a as amended by 2003 PA 153.

*The People of the State of Michigan enact:*

**324.3122 Annual groundwater discharge permit fee; failure of department to grant or deny within certain time period; payment of fee by municipality; definitions.**

Sec. 3122. (1) Until October 1, 2011, the department may levy and collect an annual groundwater discharge permit fee from facilities that discharge wastewater to the ground or groundwater of this state pursuant to section 3112. The fee shall be as follows:

- (a) For a group 1 facility, \$3,650.00.
- (b) For a group 2 facility or a municipality of 1,000 or fewer residents, \$1,500.00.
- (c) For a group 3 facility, \$200.00.

(2) Within 180 days after receipt of a complete application, the department shall either grant or deny a permit, unless the applicant and the department agree to extend this time period. If the department fails to make a decision on an application within the time period specified or agreed to under this subsection, the applicant shall receive a 15% annual discount on an annual groundwater discharge permit fee for a permit issued based upon that application. This subsection applies to permit applications received beginning October 1, 2005.

(3) If the person required to pay the annual groundwater discharge permit fee under subsection (1) is a municipality, the municipality may pass on the annual groundwater discharge permit fee to each user of the municipal facility.

(4) As used in this section, “group 1 facility”, “group 2 facility”, and “group 3 facility” do not include a municipality with a population of 1,000 or fewer residents.

**324.5522 Fee-subject facility; air quality fees; calculation of facility emissions for previous year; annual report detailing activities of previous fiscal year; action by attorney general for collection of fees; applicability of section; condition.**

Sec. 5522. (1) Until October 1, 2011, the owner or operator of each fee-subject facility shall pay air quality fees as required and calculated under this section. The department may levy and collect an annual air quality fee from the owner or operator of each fee-subject facility in this state. The legislature intends that the fees required under this section meet the minimum requirements of the clean air act and that this expressly stated fee system serve as a limitation on the amount of fees imposed under this part on the owners or operators of fee-subject facilities in this state.

(2) The annual air quality fee shall be calculated for each fee-subject facility, according to the following procedure:

(a) Except as provided in subdivision (d), for category I facilities, the annual air quality fee shall be the sum of a facility charge and an emissions charge as specified in subdivision (e). The facility charge shall be \$4,485.00.

(b) For category II facilities, the annual air quality fee shall be the sum of a facility charge and an emissions charge as specified in subdivision (e). The facility charge shall be \$1,795.00.

(c) For category III facilities, the annual air quality fee shall be \$250.00.

(d) For municipal electric generating facilities that are category I facilities and that emit more than 450 tons but less than 18,000 tons of fee-subject air pollutants, the annual air quality fee shall be the following amount, based on the number of tons of fee-subject air pollutants emitted:

(i) More than 450 tons but less than 4,000 tons, \$24,816.00.

(ii) At least 4,000 tons but not more than 5,300 tons, \$24,816.00 plus \$45.25 per ton of fee-subject air pollutant in excess of 4,000 tons.

(iii) More than 5,300 tons but not more than 12,000 tons, \$85,045.00.

(iv) More than 12,000 tons but less than 18,000 tons, \$159,459.00.

(e) The emissions charge for category I and category II facilities shall equal the emission charge rate of \$45.25, multiplied by the actual tons of fee-subject air pollutants emitted. A pollutant that qualifies as a fee-subject air pollutant under more than 1 class shall be charged only once. The actual tons of fee-subject air pollutants emitted is considered to be the sum of all fee-subject air pollutants emitted at the fee-subject facility for the calendar year 2 years preceding the year of billing, but not more than the lesser of the following:

(i) 4,000 tons.

(ii) 1,000 tons per pollutant, if the sum of all fee-subject air pollutants except carbon monoxide emitted at the fee-subject facility is less than 4,000 tons.

(3) The auditor general shall conduct a biennial audit of the federally mandated operating permit program required in title V. The audit shall include the auditor general's recommendation regarding the sufficiency of the fees required under subsection (2) to meet the minimum requirements of the clean air act.

(4) After January 1, but before January 15 of each year, the department shall notify the owner or operator of each fee-subject facility of its assessed annual air quality fee. Payment is due within 90 calendar days of the mailing date of the air quality fee notification. If an assessed fee is challenged under subsection (6), payment is due within 90 calendar days of the mailing date of the air quality fee notification or within 30 days of receipt of a revised fee or statement supporting the original fee, whichever is later. The department shall deposit all fees collected under this section to the credit of the fund.

(5) If the owner or operator of a fee-subject facility fails to submit the amount due within the time period specified in subsection (4), the department shall assess the owner or operator a penalty of 5% of the amount of the unpaid fee for each month that the payment is overdue up to a maximum penalty of 25% of the total fee owed.

(6) If the owner or operator of a fee-subject facility desires to challenge its assessed fee, the owner or operator shall submit the challenge in writing to the department. The department shall not process the challenge unless it is received by the department within 45 calendar days of the mailing date of the air quality fee notification described in subsection (4). A challenge shall identify the facility and state the grounds upon which the challenge is based. Within 30 calendar days of receipt of the challenge, the department shall determine the validity

of the challenge and provide the owner with notification of a revised fee or a statement setting forth the reason or reasons why the fee was not revised. Payment of the challenged or revised fee is due within the time frame described in subsection (4). If the owner or operator of a facility desires to further challenge its assessed fee, the owner or operator of the facility has an opportunity for a contested case hearing as provided for under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(7) If requested by the department, by March 15 of each year, or within 45 days of a request by the department, whichever is later, the owner or operator of each fee-subject facility shall submit information regarding the facility's previous year's emissions to the department. The information shall be sufficient for the department to calculate the facility's emissions for that year and meet the requirements of 40 CFR 51.320 to 51.327.

(8) By July 1 of each year, the department shall provide the owner or operator of each fee-subject facility required to pay an emission charge pursuant to this section with a copy of the department's calculation of the facility emissions for the previous year. Within 60 days of this notification, the owner or operator of the facility may provide corrections to the department. The department shall make a final determination of the emissions by December 15 of that year. If the owner or operator disagrees with the determination of the department, the owner or operator may request a contested case hearing as provided for under the administrative procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

(9) By March 1 annually, the department shall prepare and submit to the governor, the legislature, the chairpersons of the standing committees of the senate and house of representatives with primary responsibility for environmental protection issues related to air quality, and the chairpersons of the subcommittees of the senate and house appropriations committees with primary responsibility for appropriations to the department a report that details the department's activities of the previous fiscal year funded by the fund. This report shall include, at a minimum, all of the following as it relates to the department:

(a) The number of full-time equated positions performing title V and non-title V air quality enforcement, compliance, or permitting activities.

(b) All of the following information related to the permit to install program authorized under section 5505:

(i) The number of permit to install applications received by the department.

(ii) The number of permit to install applications for which a final action was taken by the department. The number of final actions should be reported as the number of applications approved, the number of applications denied, and the number of applications withdrawn by the applicant.

(iii) The number of permits to install approved that were required to complete public participation under section 5511(3) before final action and the number of permits to install approved that were not required to complete public participation under section 5511(3) prior to final action.

(iv) The average number of final permit actions per permit to install reviewer full-time equivalent position.

(v) The percentage and number of permit to install applications that were reviewed for administrative completeness within 10 days of receipt by the department.

(vi) The percentage and number of permit to install applications that were reviewed for technical completeness within 30 days of receipt of an administratively complete application by the department.

(vii) The percentage and number of permit to install applications submitted to the department that were administratively complete as received.



(viii) The percentage and number of permit to install applications for which a final action was taken by the department within 60 days of receipt of a technically complete application for those not required to complete public participation under section 5511(3) prior to final action, or within 120 days of receipt of a technically complete application for those which are required to complete public participation under section 5511(3) prior to final action.

(c) All of the following information for the renewable operating permit program authorized under section 5506:

(i) The number of renewable operating permit applications received by the department.

(ii) The number of renewable operating permit applications for which a final action was taken by the department. The number of final actions should be reported as the number of applications approved, the number of applications denied, and the number of applications withdrawn by the applicant.

(iii) The percentage and number of permit applications initially processed within the required time.

(iv) The percentage and number of permit renewals and modifications processed within the required time.

(v) The number of permit applications reopened by the department.

(vi) The number of general permits issued by the department.

(d) The number of letters of violation sent.

(e) The amount of penalties collected from all consent orders and judgments.

(f) For each enforcement action that includes payment of a penalty, a description of what corrective actions were required by the enforcement action.

(g) The number of inspections done on sources required to obtain a permit under section 5506 and the number of inspections of other sources.

(h) The number of air pollution complaints received, investigated, not resolved, and resolved by the department.

(i) The number of contested case hearings and civil actions initiated and completed, and the number of voluntary consent orders, administrative penalty orders, and emergency orders entered or issued, for sources required to obtain a permit under section 5506.

(j) The amount of revenue in the fund at the end of the fiscal year.

(10) The report under subsection (9) shall also include the amount of revenue for programs under this part received during the prior fiscal year from fees, from federal funds, and from general fund appropriations. Each of these amounts shall be expressed as a dollar amount and as a percent of the total annual cost of programs under this part.

(11) The attorney general may bring an action for the collection of the fees imposed under this section.

(12) This section does not apply if the administrator of the United States environmental protection agency determines that the department is not adequately administering or enforcing the renewable operating permit program and the administrator promulgates and administers a renewable operating permit program for this state.

**324.11135 Manifest; user charge; violations; contents; copy; certification; specified destination; determining status of specified waste; exception report; retention period for copy of manifest; extension.**

Sec. 11135. (1) A hazardous waste generator shall provide a separate manifest to the transporter for each load of hazardous waste transported to property that is not on the site

where it was generated. Until October 1, 2011, a person required to prepare a manifest shall submit to the department a manifest processing user charge of \$6.00 per manifest and his or her tax identification number. Each calendar year, the department may adjust the manifest processing user charge as necessary to ensure that the total cumulative amount of the user charges assessed pursuant to this section and sections 11153, 12103, 12109, and 12112 are consistent with the target revenue projection for the hazardous waste and liquid industrial waste users account as provided for in section 11130(5). However, the manifest processing user charge shall not exceed \$8.00 per manifest. Money collected under this subsection shall be forwarded to the state treasurer for deposit into the environmental pollution prevention fund created in section 11130 and credited to the hazardous waste and liquid industrial waste users account created in section 11130(5).

(2) Payment of the manifest processing user charges under subsection (1) shall be made using a form provided by the department. The department shall send a form to each person subject to the manifest processing user charge by February 28 of each year. The form shall specify the number of manifests prepared by that person and processed by the department during the previous fiscal year. A person subject to the manifest processing user charge shall return the completed form and the appropriate payment to the department by April 30 of each year.

(3) A person who fails to provide timely and accurate information, a complete form, or the appropriate manifest processing user charge as provided for in this section is in violation of this part and is subject to both of the following:

(a) Payment of the manifest processing user charge and an administrative fine of 5% of the amount owed for each month that the payment is delinquent. Any payments received after the 15th of the month after the due date shall be considered delinquent for that month. However, the administrative fine shall not exceed 25% of the total amount owed.

(b) Beginning 5 months after the date payment of the manifest user charge is due, but not paid, at the request of the department, an action by the attorney general for the collection of the amount owed under subdivision (a) and the actual cost to the department in attempting to collect the amount owed under subdivision (a).

(4) Any amounts collected under subsection (3) for a violation of this section shall be forwarded to the state treasurer and deposited in the environmental pollution prevention fund created in section 11130 and credited to the hazardous waste and liquid industrial waste users account created in section 11130(5).

(5) The department shall maintain information regarding the manifest processing user charges received under this section as necessary to satisfy the reporting requirements of subsection (6).

(6) The department shall evaluate the effectiveness and adequacy of the manifest processing user charges collected under this section relative to the overall revenue needs of the state's hazardous waste management program administered under this part. Not later than April 1 of each even-numbered year, the department shall summarize its findings under this subsection in a report and shall provide that report to the legislature.

(7) A generator shall include on the manifest details as specified by the department and shall at least include sufficient qualitative and quantitative analysis and physical description to evaluate toxicity and methods of transportation, storage, and disposal. The manifest also shall include safety precautions as necessary for each load of hazardous waste. The generator shall submit to the department a copy of the manifest within a period of 10 days after the end of the month for each load of hazardous waste transported within that month.

(8) The generator shall certify that the information contained on the manifest is factual.