

# HOUSE BILL No. 5958

September 11, 1990, Introduced by Rep. Bartnik and referred to the Committee on Conservation, Recreation and Environment.

A bill to amend section 26 of Act No. 278 of the Public Acts of 1909, entitled as amended

"An act to provide for the incorporation of villages and for revising and amending their charters; to provide for the levy and collection of taxes, borrowing of money, and issuance of bonds and other evidences of indebtedness; and to validate bonds issued and obligations previously incurred,"

being section 78.26 of the Michigan Compiled Laws; and to add section 24c.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 26 of Act No. 278 of the Public Acts of  
2 1909, being section 78.26 of the Michigan Compiled Laws, is  
3 amended and section 24c is added to read as follows:

4       SEC. 24C. A VILLAGE MAY ACQUIRE BY PURCHASE OR CONDEMNATION  
5 PURSUANT TO THE UNIFORM CONDEMNATION PROCEDURES ACT, ACT NO. 87  
6 OF THE PUBLIC ACTS OF 1980, BEING SECTIONS 213.51 TO 213.77 OF  
7 THE MICHIGAN COMPILED LAWS, LAND OUTSIDE ITS CORPORATE LIMITS

1 NECESSARY FOR THE DISPOSAL OF SEWAGE OR THE OBTAINING OR  
2 PROTECTION OF A WATER SUPPLY FOR THE VILLAGE OR THE INHABITANTS  
3 OF THE VILLAGE IF THE PROPOSED USE WILL NOT MATERIALLY INJURE THE  
4 HEALTH OR SAFETY OF THE PERSONS LIVING ADJACENT TO THE LAND.

5       Sec. 26. (1) ~~No~~ A village shall ~~have power~~ NOT DO ANY  
6 OF THE FOLLOWING:

7       (a) ~~To submit~~ SUBMIT to the electors a charter or a revi-  
8 sion ~~thereof~~ OF A CHARTER more often than once in every 2 years  
9 ~~, nor unless it shall be filed~~ OR FILE IT with the village  
10 clerk LESS THAN 90 days before the election. This ~~provision~~  
11 ~~shall~~ SUBDIVISION DOES not apply to the submission and resubmis-  
12 sion of charters to villages ~~which~~ THAT may be incorporated  
13 under this act until they ~~shall~~ have ~~first~~ adopted a  
14 charter.

15       (b) ~~To call~~ CALL more than 2 special elections within 1  
16 year. This prohibition ~~shall~~ DOES not apply to elections  
17 ~~which~~ THAT may be held in the submission and resubmission of  
18 charters to villages ~~which~~ THAT may be incorporated under this  
19 act until they shall have first adopted a charter.

20       (c) ~~To change~~ CHANGE the salary or emoluments of a public  
21 official after his OR HER election or appointment, or during his  
22 OR HER term of office, where the office is held for a fixed term,  
23 nor shall the term of a public official be shortened or extended  
24 beyond the period for which he OR SHE is elected or appointed,  
25 unless he ~~be~~ OR SHE IS removed for cause.

26       (d) ~~To adopt~~ ADOPT a charter or amendment ~~thereto~~ TO A  
27 CHARTER, unless approved by a majority of the electors voting

1 ~~thereon~~ ON THE CHARTER OR AMENDMENT at a general or special  
2 election.

3 (e) ~~To authorize~~ AUTHORIZE an issue of bonds, except spe-  
4 cial assessment bonds, bonds for the village portion of local  
5 improvements, not to exceed 40% of the cost of the improvement,  
6 refunding bonds, bonds for relief from fire, flood, or calamity,  
7 or for payment of judgments, and bonds ~~which~~ THAT the legisla-  
8 tive body is authorized by specific statute to issue without vote  
9 of the electors, unless approved by a majority of the electors  
10 voting thereon at a general or special election.

11 (f) ~~To adopt~~ ADOPT a scheme for exemption from municipal  
12 taxation.

13 ~~(g) A village, whether incorporated under this act or under~~  
14 ~~an existing charter of the village heretofore granted or passed~~  
15 ~~by the legislature for the government of a village, may acquire,~~  
16 ~~by purchase or condemnation proceedings, land without its corpo-~~  
17 ~~rate limits necessary for the disposal of sewage or the obtaining~~  
18 ~~or protection of a water supply for the village or the inhab-~~  
19 ~~itants thereof. The jury in condemnation proceedings shall con-~~  
20 ~~sist of 12 freeholders drawn from the body of the county, and if~~  
21 ~~they shall determine that such use is necessary, and that the use~~  
22 ~~proposed will not materially injure the health or safety of the~~  
23 ~~persons living adjacent to the land, they shall award the compen-~~  
24 ~~sation to be paid therefor. Other proceedings in such cases~~  
25 ~~shall conform to the general law authorizing cities and villages~~  
26 ~~to take or hold land or property within their corporate limits.~~

1 (G) ~~(h) To repudiate~~ REPUDIATE a debt by a change in its  
2 charter or by consolidation with any other municipality.

3 (H) ~~(i) To incur~~ INCUR indebtedness by the issue of bonds,  
4 or otherwise, in a sum which, including existing indebtedness,  
5 exceeds 10% of the assessed valuation of the real and personal  
6 property within the village subject to taxation, as shown by the  
7 last preceding assessment roll of the village. Bonds issued in  
8 anticipation of the collection of special assessments, even  
9 though they are a general obligation of the village, motor vehi-  
10 cle highway fund bonds, revenue bonds, and bonds issued, or con-  
11 tract or assessment obligations incurred, to comply with an order  
12 of the water resources commission or a court of competent juris-  
13 diction, even though they are a general obligation of the vil-  
14 lage, ~~and~~ bonds issued, or contract or assessment obligations  
15 incurred, for water supply, sewerage, drainage, or refuse dis-  
16 posal projects necessary to protect the public health by abating  
17 pollution, even though they are a general obligation of the vil-  
18 lage, AND BONDS ISSUED PURSUANT TO THE MUNICIPAL POLLUTION CON-  
19 TROL FINANCING ACT shall not be included in this limitation.

20 ~~Moneys~~ MONEY on hand in a sinking fund limited to the payment  
21 of indebtedness may be treated as a reduction of the indebtedness  
22 to that extent. In case of fire, flood, or other calamity  
23 requiring an emergency fund for the relief of the inhabitants of  
24 the village, or for the repairing or rebuilding of any of its  
25 municipal buildings, works, bridges, or streets, the legislative  
26 body of the village may borrow money due in not more than 3 years  
27 and in an amount not exceeding 1/4 of 1% of the assessed

1 valuation of the village, notwithstanding THAT the loan may  
 2 increase the indebtedness of the village beyond the limitations  
 3 fixed by its charter or in this act. When a village is autho-  
 4 rized to acquire or operate a public utility, it may issue mort-  
 5 gage bonds ~~therefor~~ FOR THAT PURPOSE beyond the general limit  
 6 of bonded indebtedness prescribed by law. The mortgage bonds  
 7 issued beyond the limit of general indebtedness prescribed by law  
 8 shall not impose a liability upon the village, but shall be  
 9 secured only upon the property and revenues of the public utili-  
 10 ty, including a franchise, stating the terms upon which, in case  
 11 of foreclosure, the purchaser may operate the ~~same~~ PUBLIC  
 12 UTILITY, which franchise shall ~~in no case~~ NOT extend for a  
 13 period longer than 20 years from the date of the sale of the  
 14 PUBLIC utility and franchise on foreclosure. All bonds hereto-  
 15 fore issued, or contract or assessment obligations heretofore  
 16 incurred, are hereby validated.

17 (I) ~~(j) To lay~~ LAY or collect taxes for municipal purposes  
 18 except as otherwise provided by law, at a rate in excess of 2% of  
 19 the assessed value of all real and personal property in the  
 20 village.

21 (J) ~~(k) To issue~~ ISSUE bonds without creating a sinking  
 22 fund for the payment of the ~~same~~ BONDS, except special assess-  
 23 ment bonds ~~which~~ THAT are a charge upon a special district cre-  
 24 ated for the payment ~~thereof~~ OF THE BONDS, and serial bonds  
 25 payable annually.

1       Section 2. This amendatory act shall not take effect unless  
2 Senate Bill No. \_\_\_\_\_ or House Bill No. 5957 (request  
3 no. 05940'90) of the 85th Legislature is enacted into law.