



HOUSE BILL No. 4450

February 21, 1995, Introduced by Reps. Hammerstrom, Pitoniak, Dolan, Hill, Jellema, Bullard, Dalman, Bodem and Goschka and referred to the Committee on Local Government.

A bill to amend section 26 of Act No. 278 of the Public Acts of 1909, entitled as amended "The home rule village act," as amended by Act No. 32 of the Public Acts of 1993, being section 78.26 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 26 of Act No. 278 of the Public Acts of
2 1909, as amended by Act No. 32 of the Public Acts of 1993, being
3 section 78.26 of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 26. (1) A village shall not do any of the following:

6 (a) Submit to the electors a charter or a revision of a
7 charter more often than once in every 2 years or file it with the
8 village clerk less than 90 days before the election. This
9 subdivision does not apply to the submission and resubmission of

1 charters to villages that may be incorporated under this act
2 until they have first adopted a charter.

3 (b) Call more than 2 special elections within 1 year. This
4 prohibition does not apply to elections that may be held in the
5 submission and resubmission of charters to villages that may be
6 incorporated under this act until they have first adopted a
7 charter.

8 (c) Change the salary or emoluments of a public official
9 after his or her election or appointment, or during his or her
10 term of office, ~~where~~ IF the office is held for a fixed term,
11 ~~not shall~~ OR SHORTEN OR EXTEND the term of a public official
12 ~~be shortened or extended beyond~~ FROM the period for which he or
13 she ~~is~~ WAS elected or appointed, unless he or she is removed
14 for cause.

15 (d) Adopt a charter or amendment to a charter, unless
16 approved by a majority of the electors voting on the charter or
17 amendment at a general or special election.

18 (e) Authorize an issue of bonds ~~, except~~ UNLESS APPROVED
19 AT AN ELECTION BY A MAJORITY OF THE ELECTORS OF THE VILLAGE
20 VOTING ON THE ISSUANCE OF THE BONDS. THIS SUBDIVISION DOES NOT
21 APPLY TO special assessment bonds, bonds for the village portion
22 of local improvements, not to exceed 40% of the cost of the
23 improvement, refunding bonds, bonds for relief from fire, flood,
24 or calamity, or for payment of judgments, ~~and~~ OR bonds that the
25 legislative body is authorized by specific statute to issue with-
26 out vote of the electors. ~~, unless approved by a majority of~~

1 ~~the electors voting on the issuance of the bonds at a general or~~
2 ~~special election.~~

3 (f) Adopt a scheme for exemption from municipal taxation.

4 (g) Repudiate a debt by a change in its charter or by con-
5 solidation with any other municipality.

6 (h) Incur indebtedness by the issue of bonds, or otherwise,
7 in a sum that, including existing indebtedness, exceeds 10% of
8 the assessed valuation of the real and personal property within
9 the village subject to taxation, as shown by the last ~~preceeding~~
10 assessment roll of the village. Bonds issued in anticipation of
11 the collection of special assessments, even though they are a
12 general obligation of the village, motor vehicle highway fund
13 bonds, revenue bonds, and bonds issued, or contract or assessment
14 obligations incurred, to comply with an order of the ~~water~~
15 DEPARTMENT OF NATURAL resources ~~commission~~ or a court of compe-
16 tent jurisdiction, even though they are a general obligation of
17 the village, bonds issued, or contract or assessment obligations
18 incurred, for water supply, sewerage, drainage, or refuse dis-
19 posal projects necessary to protect the public health by abating
20 pollution, even though they are a general obligation of the vil-
21 lage, and bonds issued OR ASSESSMENTS OR CONTRACT OBLIGATIONS
22 INCURRED for the construction, improvement, or replacement of a
23 combined sewer overflow abatement facility are not included in
24 this limitation. Money on hand in a sinking fund limited to the
25 payment of indebtedness may be treated as a reduction of the
26 indebtedness to that extent. ~~in case~~ IF, BECAUSE of fire,
27 flood, or other calamity, ~~requiring~~ an emergency fund IS

1 REQUIRED for the relief of the inhabitants of the village ~~or~~ or
2 for the repairing or rebuilding of any of its municipal build-
3 ings, works, bridges, or streets, the legislative body of the
4 village may borrow money due in not more than 3 years and in an
5 amount not exceeding 1/4 of 1% of the assessed valuation of the
6 village, notwithstanding that the loan may increase the indebted-
7 ness of the village beyond the limitations fixed by its charter
8 or in this ~~act~~ SUBDIVISION. If a village is authorized to
9 acquire or operate a public utility, it may issue mortgage bonds
10 for that purpose beyond the general limit of bonded indebtedness
11 prescribed by law. The mortgage bonds issued beyond the limit of
12 general indebtedness prescribed by law shall not impose a liabil-
13 ity upon the village, but shall be secured only upon the property
14 and revenues of the public utility, including a franchise, stat-
15 ing the terms upon which, in case of foreclosure, the purchaser
16 may operate the public utility. The franchise shall not extend
17 for a period longer than 20 years from the date of the sale of
18 the public utility and franchise on foreclosure. Bonds issued,
19 or contract or assessment obligations incurred, before July 31,
20 1973 are validated. As used in this subdivision:

21 (i) "Combined sewer overflow" means a discharge from a com-
22 bined sewer system that occurs when the flow capacity of the com-
23 bined sewer system is exceeded.

24 (ii) "Combined sewer overflow abatement facility" means
25 works, instrumentalities, or equipment necessary or appropriate
26 to abate combined sewer overflows.

1 (iii) "Combined sewer system" means a sewer designed and
2 used to convey both storm water runoff and sanitary sewage, and
3 ~~that~~ WHICH contains lawfully installed regulators and control
4 devices that allow for delivery of sanitary flow to treatment
5 during dry weather periods and divert storm water and sanitary
6 sewage to surface waters during storm flow periods.

7 (iv) "Construction" means any action ~~undertaken~~ TAKEN in
8 the designing or building of a combined sewer overflow abatement
9 facility. ~~This term~~ CONSTRUCTION includes, but is not limited
10 to, all of the following:

11 (A) Engineering services.

12 (B) Legal services.

13 (C) Financial services.

14 (D) Design of plans and specifications.

15 (E) Acquisition of land or structural components.

16 (F) Building, erection, alteration, remodeling, or extension
17 of a combined sewer overflow abatement facility.

18 (G) Village supervision of the project activities described
19 in sub-subparagraphs (A) to (F).

20 (v) "Improvement" means any action undertaken to expand,
21 rehabilitate, or restore a combined sewer overflow abatement
22 facility.

23 (vi) "Replacement" means action taken to obtain and install
24 equipment, accessories, or appurtenances during the useful life
25 of a combined sewer overflow abatement facility necessary to
26 maintain the capacity and performance for which the equipment,
27 accessories, or appurtenances are designed and constructed.

1 (i) Lay or collect taxes for municipal purposes except as
2 otherwise provided by law, at a rate in excess of 2% of the
3 assessed value of all real and personal property in the village.

4 (j) Issue bonds without creating a sinking fund for the pay-
5 ment of the bonds, except special assessment bonds that are a
6 charge upon a special district created for the payment of the
7 bonds, and serial bonds payable annually.