

The Committee on Finance offered the following substitute:

May 20, 1997

**SUBSTITUTE FOR
SENATE BILL NO. 428**

A bill to amend 1923 PA 116, entitled
"Township and village public improvement and public service act,"
by amending section 4 (MCL 41.414), as amended by 1989 PA 82.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 4. (1) ~~Special~~ FOR A SPECIAL ASSESSMENT LEVIED
2 BEFORE JANUARY 1, 1997 FOR THE COST OF AN IMPROVEMENT OR SERVICE
3 SPECIFIED IN SECTION 1, THE SPECIAL assessment installments for 1
4 year shall not be levied ~~upon~~ ON property in excess of 15% of
5 that property's assessed valuation. ~~for the cost of an improve-~~
6 ~~ment or service specified in section 1. The~~ FOR A SPECIAL
7 ASSESSMENT LEVIED AFTER DECEMBER 31, 1996 FOR THE COST OF AN
8 IMPROVEMENT OR SERVICE SPECIFIED IN SECTION 1, THE SPECIAL
9 ASSESSMENT INSTALLMENTS FOR 1 YEAR SHALL NOT BE LEVIED ON
10 PROPERTY IN EXCESS OF 15% OF THAT PROPERTY'S TAXABLE VALUE. FOR

1 A SPECIAL ASSESSMENT LEVIED BEFORE JANUARY 1, 1997, THE total
2 assessment installments for a year for a combination of ~~such~~
3 improvements or services SPECIFIED IN SECTION 1, regardless of
4 the year in which the assessment installments are levied, shall
5 not ~~be in excess of~~ EXCEED 45% of the property's assessed
6 valuation. FOR A SPECIAL ASSESSMENT LEVIED AFTER DECEMBER 31,
7 1996, THE TOTAL ASSESSMENT INSTALLMENTS FOR A YEAR FOR A COMBINA-
8 TION OF IMPROVEMENTS OR SERVICES SPECIFIED IN SECTION 1, REGARD-
9 LESS OF THE YEAR IN WHICH THE ASSESSMENT INSTALLMENTS ARE LEVIED,
10 SHALL NOT EXCEED 45% OF THE PROPERTY'S TAXABLE VALUE. The collec-
11 tion of the special assessments shall be by installments as pro-
12 vided by ~~Act No. 3 of the Public Acts of 1895, being sections~~
13 ~~61.1 to 74.22 of the Michigan Compiled Laws~~ THE GENERAL LAW VIL-
14 LAGE ACT, 1895 PA 3, MCL 61.1 TO 74.25. However, assessments for
15 paving, for street markers and lampposts, or for a combination of
16 projects authorized by section 1 that includes paving may be
17 divided into a number of annual installments not exceeding 10.
18 Assessments for the construction of filtration plants, for the
19 construction or extension of sanitary sewers or water mains to
20 provide water for fire protection and domestic uses, or for a
21 combination of projects authorized by section 1 that includes the
22 construction or extension of sanitary sewers or water mains to
23 provide water for fire protection and domestic uses may be
24 divided into a number of annual installments not exceeding 20.
25 Assessments for the purchase or construction of waterworks or
26 sewage disposal plants may be divided into a number of annual
27 installments not exceeding 40.

1 (2) An appeal may be taken from the assessment of the
 2 supervisor to the board of public service commissioners, which
 3 shall act as a board of review and have the same powers and
 4 duties and be governed by the same procedures and the same legal
 5 consequences as the board of review provided for in the general
 6 ~~tax laws of this state~~ PROPERTY TAX ACT, 1893 PA 206, MCL 211.1
 7 TO 211.157.

8 (3) If a village or district is served by a waterworks,
 9 water reservoir, or aqueduct to a source of water supply estab-
 10 lished without expense to the township at large, the works shall
 11 not be tapped for the purpose of supplying water outside of the
 12 village or district if the tapping would seriously deplete or
 13 imperil the water supply or pressure of the village or district.
 14 The works shall not be tapped in any case without the consent of
 15 the board of public service commissioners. If a village or dis-
 16 trict is served by a public improvement or service described in
 17 section 1 that has been established and is being operated without
 18 expense to the township, no part of a tax or assessment shall be
 19 levied by the township upon the village or district for the pur-
 20 pose of establishing or operating a similar improvement or facil-
 21 ity for other parts of the township.

22 (4) AFTER DECEMBER 31, 1996, ANY AD VALOREM SPECIAL ASSESS-
 23 MENT LEVIED UNDER THIS ACT SHALL BE LEVIED ON THE TAXABLE VALUE
 24 OF THE PROPERTY ASSESSED.

25 (5) AS USED IN THIS SECTION, "TAXABLE VALUE" MEANS THAT
 26 VALUE DETERMINED UNDER SECTION 27A OF THE GENERAL PROPERTY TAX
 27 ACT, 1893 PA 206, MCL 211.27A.

(6) IF THE LEVY OF AN AD VALOREM SPECIAL ASSESSMENT ON THE
 PROPERTY'S TAXABLE VALUE IS FOUND TO BE INVALID BY A COURT OF
 COMPETENT JURISDICTION, THE LEVY OF THE AD VALOREM SPECIAL
 ASSESSMENT MAY BE LEVIED ON THE PROPERTY'S STATE EQUALIZED VALUE.