

Senate Bill 851

A bill to amend 1947 PA 359, entitled
"The charter township act,"
by amending section 14a (MCL 42.14a), as amended by 1995 PA 212.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 14a. (1) The township may borrow money and issue bonds
2 on the credit of the township for the purpose of constructing or
3 otherwise acquiring a public improvement that the township is
4 authorized to construct or otherwise acquire by law.
5 (2) Bonds shall not be issued, except special assessment
6 bonds, bonds for the township portion of local improvements, and
7 bonds that the township board is authorized by specific statute
8 to issue without vote of the electors, unless approved by a
9 majority of the electors voting on the bonds at a general or
10 special election.

1 (3) The net indebtedness of the township incurred for all
2 public purposes shall not exceed 10% of the assessed value of all
3 real and personal property in the township. In computing the net
4 indebtedness all of the following shall be deducted:

5 (a) Bonds issued in anticipation of the collection of spe-
6 cial assessments, even though they are general obligations of the
7 township.

8 (b) Revenue bonds, even though they are general obligations
9 of the township.

10 (c) Bonds issued to comply with an order of the former water
11 resources commission, the department of environmental quality, or
12 a court of competent jurisdiction, even though they are a general
13 obligation of the township.

14 (d) Bonds issued, or contract or assessment obligations
15 incurred, for water supply, sewerage, drainage, solid waste dis-
16 posal, and steam generation and distribution necessary to protect
17 the public health by abating pollution, even though they are a
18 general obligation of the township.

19 (e) Bonds issued or contract or assessment obligations
20 incurred for the construction, improvement, or replacement of a
21 combined sewer overflow abatement facility. As used in this
22 subdivision:

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

1 (ii) "Combined sewer overflow abatement facility" means any
2 works, instrumentalities, or equipment necessary or appropriate
3 to abate combined sewer overflows.

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

10 (iv) "Construction" means any action taken in the designing
11 or building of a combined sewer overflow abatement facility.

12 Construction includes, but is not limited to, all of the
13 following:

14 (A) Engineering services.

15 (B) Legal services.

16 (C) Financial services.

17 (D) Design of plans and specifications.

18 (E) Acquisition of land or structural components, or both.

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

21 (G) Township supervision of the project activities described
22 in sub-subparagraphs (A) to (F).

23 (v) "Improvement" means any action taken to expand, rehabil-
24 itate, or restore a combined sewer overflow abatement facility.

25 (vi) "Replacement" means any action taken to obtain and
26 install equipment, accessories, or appurtenances during the
27 useful life of a combined sewer overflow abatement facility

1 necessary to maintain the capacity and performance for which the
2 equipment, accessories, or appurtenances are designed and
3 constructed.

4 (4) The resources of the sinking fund or debt retirement
5 fund pledged for retirement of outstanding bonds shall also be
6 deducted from the amount of the indebtedness.

7 (5) Bonds ~~shall be~~ ARE issued subject to the ~~municipal~~
8 ~~finance act, Act No. 202 of the Public Acts of 1943, being sec-~~
9 ~~tions 131.1 to 139.3 of the Michigan Compiled Laws~~ REVISED
10 MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO 141.2821.