

REPRINT

SUBSTITUTE FOR

SENATE BILL NO. 987

(As passed the Senate February 28, 2002)

A bill to amend 1957 PA 4, entitled
"Charter water authority act,"
by amending sections 15 and 16 (MCL 121.15 and 121.16); and to
repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 15. Bonds issued by any authority under the provisions
2 of this act ~~shall be issued subject to the prior permission of~~
3 ~~the municipal finance commission or the successor state agency or~~
4 ~~commission having jurisdiction over the issuance of municipal~~
5 ~~bonds, and shall be sold at public sale on at least 7 days'~~
6 ~~notice by publication in accordance with the requirements of sec-~~
7 ~~tion 2 of chapter 3 of Act No. 202 of the Public Acts of 1943, as~~
8 ~~amended, being section 133.2 of the Compiled Laws of 1948~~ ARE
9 SUBJECT TO THE REVISED MUNICIPAL FINANCE ACT, 2001 PA 34,
10 MCL 141.2101 TO 141.2821. ~~Refunding bonds may be issued by the~~

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1 ~~authority under the conditions permitting such refunding and~~
2 ~~subject to the applicable provisions therefor specified in Act~~
3 ~~No. 202 of the Public Acts of 1943, as amended, being sections~~
4 ~~131.1 to 138.2 of the Compiled Laws of 1948.~~

5 Sec. 16. The authority shall levy each year a sufficient
6 tax, taking into account the probable delinquency in tax collec-
7 tions, to pay the principal and interest on all bonds lawfully
8 issued by the authority under the provisions of this act, matur-
9 ing prior to the next tax collection period. ~~If on July 1 of~~
10 ~~any year, there are funds on hand in the debt retirement fund~~
11 ~~earmarked for the payment of principal and interest on the bonds,~~
12 ~~then the annual tax levy shall be in such amount as will produce~~
13 ~~sufficient funds, taking into account the earmarked funds on~~
14 ~~hand, to pay the principal and interest on the bonds maturing~~
15 ~~prior to the next tax collection period. The~~ EXCEPT AS OTHER-
16 WISE PROVIDED BY LAW, THE tax for the purpose of paying the
17 bonded indebtedness shall be unlimited as to rate or amount.
18 ~~Such~~ THE tax rate shall be uniform for all territory comprising
19 the authority. The tax rate for all cities, ~~which~~ VILLAGES,
20 AND TOWNSHIPS THAT are members of the authority shall be based
21 and assessed upon the current ~~state equalized valuation~~ TAXABLE
22 VALUE of ~~such~~ THE cities, VILLAGES, AND TOWNSHIPS. ~~The tax~~
23 ~~rate for all villages which are members of the authority shall be~~
24 ~~based and assessed upon that portion of the state equalized valu-~~
25 ~~ation of the whole township in which such village is located as~~
26 ~~the assessed valuation of such village bears to the assessed~~
27 ~~valuation of the whole township in which such village is located,~~

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1 ~~as determined by the township board of review. The tax rate for~~
2 ~~all townships which are members of the authority shall be based~~
3 ~~and assessed upon the current state equalized valuation of the~~
4 ~~township, but in those townships in which there are 1 or more~~
5 ~~villages which are also members of the authority, the tax rate~~
6 ~~shall be based and assessed on the state equalized valuation of~~
7 ~~such township less the proportion of the state equalized valua-~~
8 ~~tion of such township which the total assessed valuation of such~~
9 ~~village or villages, as determined by the township board of~~
10 ~~review, bears to the total assessed valuation of such township as~~
11 ~~a whole, as determined by the township board of review. [In~~
12 ~~determining the tax rate, the authority shall use the state~~
13 ~~equalized valuation determined and fixed as of July 1 of each~~
14 ~~year.] On or before August 1 of each year, the authority, by its~~
15 ~~board of commissioners, shall certify to the tax collecting offi-~~
16 ~~cers of each city and township comprising the authority —, the~~
17 ~~tax rate determined by it to be necessary for the above purposes,~~
18 ~~and the tax collecting officers shall include the tax rate as a~~
19 ~~separate item in the next county tax levied in the city or~~
20 ~~township. All ~~such~~ THE taxes shall be assessed, levied,~~
21 ~~collected, and returned in the same manner as county taxes under~~
22 ~~the ~~property tax laws of the state~~ GENERAL PROPERTY TAX ACT,~~
23 ~~1893 PA 206, MCL 211.1 TO 211.157, AND shall have the same prior-~~
24 ~~ity rights and bear the same interest and penalties as county~~
25 ~~taxes. In the levy and collection of ~~such~~ THE taxes, the tax~~
26 ~~collecting officials of the cities and townships comprising the~~
27 ~~authority, and the county treasurers in the event ~~such~~ THE~~

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1 taxes are returned delinquent, shall be ~~deemed~~ CONSIDERED to be
2 acting as agents for and on behalf of the authority. All
3 ~~moneys~~ MONEY collected by any tax collecting officer from the
4 tax levied under the provisions of this act shall be transmitted
5 as collected to the authority and used by it solely for the pay-
6 ment of principal and interest on its bonds issued ~~in accordance~~
7 ~~with the provisions of~~ UNDER this act. Any village ~~which~~ THAT
8 is a part of the authority shall be considered a part of the
9 township in which it is located for the purposes of this section,
10 if the township is a part of the authority. If any village
11 ~~which~~ THAT is a part of the authority is located in a township
12 ~~which~~ THAT is not a part of the authority, the authority shall
13 certify to the township treasurer of the township in which the
14 village is located, the tax rate as ~~above~~ determined IN THIS
15 SECTION, and the taxes shall be levied and collected as a part
16 of, and as an independent item in, the county tax bills levied in
17 the village. The subjects of taxation for the authority purposes
18 shall be the same as for state, county, and school purposes under
19 the general law.

20 Enacting section 1. Sections 14 and 17 of the charter water
21 authority act, 1957 PA 4, MCL 121.14 and 121.17, are repealed.