

# HOUSE BILL No. 5623

February 12, 2002, Introduced by Rep. Tabor and referred to the Committee on Tax Policy.

A bill to amend 1994 PA 451, entitled  
"Natural resources and environmental protection act,"  
by amending section 4307 (MCL 324.4307).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 4307. (1) In accordance with and to the extent autho-  
2 rized by law, when the department, the department of public  
3 health, or a court of competent jurisdiction in ~~the~~ THIS state  
4 has ordered, or when the department has issued a permit for, the  
5 installation, construction, alteration, improvement, or operation  
6 of a sewage system, solid waste facility, or waterworks system in  
7 a local unit of government, and the plans for the facility or  
8 system have been prepared and approved by the state department or  
9 commission having the authority by law to grant the approval, the  
10 legislative body or the respective legislative bodies of the  
11 local unit or units of government may issue and sell the

1 necessary bonds for the construction, installation, alteration,  
2 operation, or improvement, including the treatment works, and  
3 other facilities as may be ordered or set forth in the permit as  
4 being necessary to provide for the effective operation of the  
5 system. This provision shall be construed to allow a local unit  
6 of government the option of selling bonds under a department  
7 order or permit, or of taking or permitting the matter to go into  
8 court and selling bonds under a court order. ~~The bonds shall~~  
9 ~~bear interest at a rate not to exceed the maximum rate permitted~~  
10 ~~by the municipal finance act, Act No. 202 of the Public Acts of~~  
11 ~~1943, being sections 131.1 to 139.3 of the Michigan Compiled~~  
12 ~~Laws, and be payable in not more than 40 years from the date of~~  
13 ~~issuance.~~ The legislative body or the respective legislative  
14 bodies shall determine the denomination of the bonds and the  
15 date, time, and manner of payment. The amount of the bonds  
16 either issued or outstanding shall not be included in the amount  
17 of bonds ~~which~~ THAT the local unit or units of government are  
18 authorized to issue under any statutes of this state or  
19 charters. Local units of government issuing bonds under this  
20 section may raise a sum annually by taxation as the legislative  
21 body or respective legislative bodies consider necessary to pay  
22 interest on the bonds, and to pay the principal as it falls due.  
23 The annual amount may be in excess of the authorized annual tax  
24 rate fixed by ~~the statutes or charters~~ STATUTE OR CHARTER.

25 (2) Except as otherwise provided in this part, all bonds  
26 issued under this section ~~shall be issued and sold in conformity~~  
27 ~~with Act No. 202 of the Public Acts of 1943~~ ARE SUBJECT TO THE

1 REVISED MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO  
2 141.2821. Court ordered bonds do not require approval of the  
3 electors and are not subject to section 5(g) of ~~Act No. 279 of~~  
4 ~~the Public Acts of 1909, being section 117.5 of the Michigan~~  
5 ~~Compiled Laws~~ THE HOME RULE CITY ACT, 1909 PA 279, MCL 117.5, as  
6 to publication of notice, petition, and referendum. Bonds other  
7 than court ordered bonds issued under this part require approval  
8 of the electors at a general or special election only if an  
9 appropriate petition is filed ~~in accordance with the~~ AS PRO-  
10 VIDED BY law.