

# SENATE BILL No. 985

December 13, 2001, Introduced by Senator SMITH and referred to the Committee on Finance.

A bill to amend 1957 PA 57, entitled

"An act to authorize cities and villages in Michigan to raise money by taxes or bond issue within certain limits for the purpose of establishing a local improvement revolving fund; providing for the use of moneys in the fund and the reimbursement of moneys used therefrom; and other matters relating to the creation of the fund and its use,"

by amending sections 1 and 3 (MCL 141.371 and 141.373).

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. For the purpose of this act unless the context oth-  
2 erwise indicates:

3       (a) "Local improvement" means any public improvement, the  
4 expense of which, in whole or in part, the governing body of any  
5 city or village pursuant to law or charter has determined shall  
6 be defrayed by special assessments upon the property specially  
7 benefited.

1 (b) "Governing body" means the council, common council, or  
2 commission of a city ~~—~~ or the council, commission, or board of  
3 trustees of a village.

4 (c) "Local improvement revolving fund" means the fund autho-  
5 rized to be established ~~pursuant to~~ UNDER this act for the pur-  
6 poses ~~herein~~ specified IN THIS ACT.

7 (d) "Tax elector" means a person having the qualifications  
8 of an elector. ~~who has property assessed for taxes in the city~~  
9 ~~or village or the lawful husband or wife of such person.~~

10 Sec. 3. Any city or village may provide funds for the local  
11 improvement revolving fund by any or all of the following means:

12 (a) The allocation to the fund of miscellaneous revenues, if  
13 the revenues are not otherwise pledged or encumbered. ~~—~~

14 (b) The appropriation of ~~such~~ funds raised by general tax-  
15 ation in accordance with authorization ~~therefor~~ otherwise  
16 granted by law or charter, as the governing body may determine to  
17 be necessary for the fund; but no city or village shall exceed,  
18 for this purpose, any tax limitation imposed by ~~such~~ other law  
19 or charter. ~~— or —~~

20 (c) ~~The borrowing of such sums pursuant to resolution of~~  
21 ~~its governing body and subject~~ SUBJECT to a vote of its tax  
22 electors, ~~as the governing body may determine to be necessary~~  
23 ~~for the purpose of establishing or augmenting such a fund, and~~  
24 ~~the issuing of its general obligation serial~~ bonds pledging the  
25 full faith and credit of the city or village ~~therefor~~ FOR THOSE  
26 PURPOSES. No bonds shall be issued under this authorization  
27 ~~which~~ THAT at the time of their issuance would cause the

1 indebtedness of the city or village represented by outstanding  
2 special assessment bonds ~~which~~ THAT pledge the full faith and  
3 credit of the city or village for their payment, plus outstanding  
4 bonds issued pursuant to the provisions of this act, to exceed  
5 12% of the assessed valuation of the taxable property in the city  
6 or village. The assessed valuation shall be that fixed by the  
7 last assessment roll of the city or village ~~which~~ THAT has been  
8 reviewed by the board of review. All bonds issued ~~pursuant to~~  
9 ~~the provisions of this act shall mature in not to exceed 30 years~~  
10 ~~from their date, and the provisions of Act No. 202 of the Public~~  
11 ~~Acts of 1943, as amended, being sections 131.1 to 138.2 of the~~  
12 ~~Compiled Laws of 1948, shall be applicable to the bonds~~ UNDER  
13 THIS ACT ARE SUBJECT TO THE REVISED MUNICIPAL FINANCE ACT, 2001  
14 PA 34, MCL 141.2101 TO 141.2821.