

SENATE BILL No. 987

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

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~~ THAT are mem-
20 bers of the authority shall be based and assessed upon the cur-
21 rent state equalized valuation of ~~such~~ THE cities. The tax
22 rate for all villages ~~which~~ THAT are members of the authority
23 shall be based and assessed upon that portion of the state equal-
24 ized valuation of the whole township in which ~~such~~ THE village
25 is located as the assessed valuation of ~~such~~ THE village bears
26 to the assessed valuation of the whole township in which ~~such~~
27 THE village is located, as determined by the township board of~~

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

1 delinquent, shall be ~~deemed~~ CONSIDERED to be acting as agents
2 for and on behalf of the authority. All ~~moneys~~ MONEY collected
3 by any tax collecting officer from the tax levied under the pro-
4 visions of this act shall be transmitted as collected to the
5 authority and used by it solely for the payment of principal and
6 interest on its bonds issued ~~in accordance with the provisions~~
7 ~~of~~ UNDER this act. Any village ~~which~~ THAT is a part of the
8 authority shall be considered a part of the township in which it
9 is located for the purposes of this section, if the township is a
10 part of the authority. If any village ~~which~~ THAT is a part of
11 the authority is located in a township ~~which~~ THAT is not a part
12 of the authority, the authority shall certify to the township
13 treasurer of the township in which the village is located, the
14 tax rate as ~~above~~ determined IN THIS SECTION, and the taxes
15 shall be levied and collected as a part of, and as an independent
16 item in, the county tax bills levied in the village. The
17 subjects of taxation for the authority purposes shall be the same
18 as for state, county, and school purposes under the general law.
19 Enacting section 1. Sections 14 and 17 of the charter water
20 authority act, 1957 PA 4, MCL 121.14 and 121.17, are repealed.