

Act No. 446
Public Acts of 2002
Approved by the Governor
June 17, 2002
Filed with the Secretary of State
June 17, 2002
EFFECTIVE DATE: June 17, 2002

**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Senator Young

ENROLLED SENATE BILL No. 987

AN ACT to amend 1957 PA 4, entitled "An act to provide for the incorporation of municipal authorities to acquire, own and operate water supply and transmission systems; to provide a municipal charter therefor; to prescribe the powers and functions thereof; and to prescribe penalties and provide remedies," 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:

Sec. 15. Bonds issued by any authority under the provisions of this act are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

Sec. 16. The authority shall levy each year a sufficient tax, taking into account the probable delinquency in tax collections, to pay the principal and interest on all bonds lawfully issued by the authority under the provisions of this act, maturing prior to the next tax collection period. Except as otherwise provided by law, the tax for the purpose of paying the bonded indebtedness shall be unlimited as to rate or amount. The tax rate shall be uniform for all territory comprising the authority. The tax rate for all cities, villages, and townships that are members of the authority shall be based and assessed upon the current taxable value of the cities, villages, and townships. On or before August 1 of each year, the authority, by its board of commissioners, shall certify to the tax collecting officers of each city and township comprising the authority the tax rate determined by it to be necessary for the above purposes, and the tax collecting officers shall include the tax rate as a separate item in the next county tax levied in the city or township. All the taxes shall be assessed, levied, collected, and returned in the same manner as county taxes under the general property tax act, 1893 PA 206, MCL 211.1 to 211.157, and shall have the same priority rights and bear the same interest and penalties as county taxes. In the levy and collection of the taxes, the tax collecting officials of the cities and townships comprising the authority, and the county treasurers in the event the taxes are returned delinquent, shall be considered to be acting as agents for and on behalf of the authority. All money collected by any tax collecting officer from the tax levied under the provisions of this act shall be transmitted as collected to the authority and used by it solely for the payment of principal and interest on its bonds issued under this act. Any village that is a part of the authority shall be considered a part of the township in which it is located for the purposes of this section, if the township is a part of the authority. If any village that is a part of the authority is located in a township that is not a part of the authority, the authority shall certify to the township treasurer of the township in which the village is located, the tax rate as determined in this section, and the taxes shall be levied and collected as a part of, and as an independent item in, the county tax bills levied in the village. The subjects of taxation for the authority purposes shall be the same as for state, county, and school purposes under the general law.

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

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Ray E. Randall

Clerk of the House of Representatives.

Approved _____

Governor.