

Act No. 545
Public Acts of 2002
Approved by the Governor
July 25, 2002
Filed with the Secretary of State
July 26, 2002
EFFECTIVE DATE: July 26, 2002

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

Introduced by Senator Byrum

ENROLLED SENATE BILL No. 833

AN ACT to amend 1933 PA 99, entitled "An act to authorize villages, townships, cities, and school districts to enter into contracts and agreements for the purchase of real or personal property for public purposes; to provide for the payment of the purchase price thereof; to authorize school districts to enter into certain other contracts; and to prescribe the use of the real or personal property," by amending section 1 (MCL 123.721), as amended by 1997 PA 77.

The People of the State of Michigan enact:

Sec. 1. (1) A village, township, city, or school district, after adoption of a resolution by its governing body approving the action, may enter into any contract or agreement for the purchase of real or personal property for public purposes, to be paid for in installments over a period of not to exceed 15 years and not to exceed the useful life of the property acquired as determined by the resolution. For school buses, the determined useful life shall not exceed 6 years. The outstanding balance of all purchases authorized under this act, exclusive of interest, shall not exceed 1-1/4% of the taxable value of the real and personal property in the village, township, city, or school district at the date of the contract or agreement. The limitations do not apply to contracts or leases entered into under 1948 (1st Ex Sess) PA 31, MCL 123.951 to 123.965, or to other contracts or leases between public corporations or municipalities. The contracts or agreements, and the purchase of property under the contracts or agreements are not subject to the provisions of the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(2) The governing body of a village, township, city, or school district may include in its budget and pay a sum or sums as may be necessary each year to meet the payments of any installments, and the interest thereon, when and as the installment becomes due, including overdue installments.

(3) The authority granted in this act shall not be construed to authorize the governing body of a city, village, township, or school district to levy taxes in excess of statutory or charter limitations without the approval of its electors.

(4) The limitations imposed by subsection (1) are not applicable to a contract for purchase of lands declared surplus by the United States government or one of its agencies, subject to the prior approval of the contract by the department of treasury.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Jay E. Randall

Clerk of the House of Representatives.

Approved

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Governor.