

SENATE BILL No. 815

September 15, 2009, Introduced by Senators SANBORN and McMANUS and referred to the Committee on Appropriations.

A bill to amend 1909 PA 278, entitled
"The home rule village act,"
by amending section 26 (MCL 78.26), as amended by 1995 PA 211.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 26. (1) A village shall not do any of the following:

2 (a) Submit to the electors a charter or a revision of a
3 charter more often than once in every 2 years or file it with the
4 village clerk less than 90 days before the election. This
5 subdivision does not apply to the submission and resubmission of
6 charters to villages that may be incorporated under this act until
7 they have first adopted a charter.

8 (b) Call more than 2 special elections within 1 year. This

1 prohibition does not apply to elections that may be held in the
2 submission and resubmission of charters to villages that may be
3 incorporated under this act until they have first adopted a
4 charter.

5 (c) Change the salary or emoluments of a public official after
6 his or her election or appointment, or during his or her term of
7 office, if the office is held for a fixed term, or shorten or
8 extend the term of a public official from the period for which he
9 or she was elected or appointed, unless he or she is removed for
10 cause.

11 (d) Adopt a charter or amendment to a charter, unless approved
12 by a majority of the electors voting on the charter or amendment at
13 a general or special election.

14 (e) Authorize an issue of bonds unless approved at an election
15 by a majority of the electors of the village voting on the issuance
16 of the bonds. This subdivision does not apply to special assessment
17 bonds, bonds for the village portion of local improvements, not to
18 exceed 40% of the cost of the improvement, refunding bonds, bonds
19 for relief from fire, flood, or calamity, or for payment of
20 judgments, or bonds that the legislative body is authorized by
21 specific statute to issue without vote of the electors.

22 (f) Adopt a scheme for exemption from municipal taxation.

23 (g) Repudiate a debt by a change in its charter or by
24 consolidation with any other municipality.

25 (h) Incur indebtedness by the issue of bonds, or otherwise, in
26 a sum that, including existing indebtedness, exceeds 10% of the
27 assessed valuation of the real and personal property within the

1 village subject to taxation, as shown by the last assessment roll
2 of the village. Bonds issued in anticipation of the collection of
3 special assessments, even though they are a general obligation of
4 the village, motor vehicle highway fund bonds, revenue bonds, and
5 bonds issued, or contract or assessment obligations incurred, to
6 comply with an order of the department of ~~environmental quality~~
7 **NATURAL RESOURCES** or a court of competent jurisdiction, even though
8 they are a general obligation of the village, bonds issued, or
9 contract or assessment obligations incurred, for water supply,
10 sewerage, drainage, or refuse disposal projects necessary to
11 protect the public health by abating pollution, even though they
12 are a general obligation of the village, and bonds issued or
13 assessments or contract obligations incurred for the construction,
14 improvement, or replacement of a combined sewer overflow abatement
15 facility are not included in this limitation. Money on hand in a
16 sinking fund limited to the payment of indebtedness may be treated
17 as a reduction of the indebtedness to that extent. If, because of
18 fire, flood, or other calamity, an emergency fund is required for
19 the relief of the inhabitants of the village or for the repairing
20 or rebuilding of any of its municipal buildings, works, bridges, or
21 streets, the legislative body of the village may borrow money due
22 in not more than 3 years and in an amount not exceeding 1/4 of 1%
23 of the assessed valuation of the village, notwithstanding that the
24 loan may increase the indebtedness of the village beyond the
25 limitations fixed by its charter or in this subdivision. If a
26 village is authorized to acquire or operate a public utility, it
27 may issue mortgage bonds for that purpose beyond the general limit

1 of bonded indebtedness prescribed by law. The mortgage bonds issued
2 beyond the limit of general indebtedness prescribed by law shall
3 not impose a liability upon the village, but shall be secured only
4 upon the property and revenues of the public utility, including a
5 franchise, stating the terms upon which, in case of foreclosure,
6 the purchaser may operate the public utility. The franchise shall
7 not extend for a period longer than 20 years from the date of the
8 sale of the public utility and franchise on foreclosure. Bonds
9 issued, or contract or assessment obligations incurred, before July
10 31, 1973 are validated. As used in this subdivision:

11 (i) "Combined sewer overflow" means a discharge from a combined
12 sewer system that occurs when the flow capacity of the combined
13 sewer system is exceeded.

14 (ii) "Combined sewer overflow abatement facility" means works,
15 instrumentalities, or equipment necessary or appropriate to abate
16 combined sewer overflows.

17 (iii) "Combined sewer system" means a sewer designed and used to
18 convey both storm water runoff and sanitary sewage, and which
19 contains lawfully installed regulators and control devices that
20 allow for delivery of sanitary flow to treatment during dry weather
21 periods and divert storm water and sanitary sewage to surface
22 waters during storm flow periods.

23 (iv) "Construction" means any action taken in the designing or
24 building of a combined sewer overflow abatement facility.

25 Construction includes, but is not limited to, all of the following:

26 (A) Engineering services.

27 (B) Legal services.

1 (C) Financial services.

2 (D) Design of plans and specifications.

3 (E) Acquisition of land or structural components.

4 (F) Building, erection, alteration, remodeling, or extension
5 of a combined sewer overflow abatement facility.

6 (G) Village supervision of the project activities described in
7 sub-subparagraphs (A) to (F).

8 (v) "Improvement" means any action undertaken to expand,
9 rehabilitate, or restore a combined sewer overflow abatement
10 facility.

11 (vi) "Replacement" means action taken to obtain and install
12 equipment, accessories, or appurtenances during the useful life of
13 a combined sewer overflow abatement facility necessary to maintain
14 the capacity and performance for which the equipment, accessories,
15 or appurtenances are designed and constructed.

16 (i) Lay or collect taxes for municipal purposes except as
17 otherwise provided by law, at a rate in excess of 2% of the
18 assessed value of all real and personal property in the village.

19 (j) Issue bonds without creating a sinking fund for the
20 payment of the bonds, except special assessment bonds that are a
21 charge upon a special district created for the payment of the
22 bonds, and serial bonds payable annually.

23 Enacting section 1. This amendatory act does not take effect
24 unless Senate Bill No. 807

25 of the 95th Legislature is enacted into law.