

HOUSE BILL No. 5341

September 10, 2009, Introduced by Reps. DeShazor, Haines, Wayne Schmidt, Tyler, Denby, Proos, Horn, Crawford, Lund, Paul Scott, Green, Lori, Agema, Rick Jones, Kowall, McMillin, Caul, Booher, Calley, Stamas, Bolger and Meltzer and referred to the Committee on Appropriations.

A bill to amend 1895 PA 3, entitled
"The general law village act,"
by amending section 22 (MCL 69.22), as amended by 1998 PA 254.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 22. (1) Should any greater amount be required in any year
2 for any lawful purpose than can otherwise be raised by the council
3 under this chapter, the amount may be raised by tax or loan, or
4 partly by tax and partly by loan. If approved by a majority vote of
5 the electors at an annual or special village election, the council
6 may levy a tax which, in any year, shall not exceed 2% of the
7 assessed valuation of the real and personal property within the
8 village, as shown by the last preceding assessment roll of the

1 village.

2 (2) The amount of indebtedness incurred by the issue of bonds
3 or otherwise, including existing indebtedness, shall not exceed 10%
4 of the assessed valuation of the real and personal property within
5 the village subject to taxation as shown by the last preceding
6 assessment roll of the village. Bonds issued in anticipation of the
7 collection of special assessments even though the bonds are a
8 general obligation of the village, motor vehicle highway fund bonds
9 even though they are a general obligation of the village, revenue
10 bonds, or bonds issued or contract or assessment obligations
11 incurred to comply with an order of the department of ~~environmental~~
12 ~~quality~~ **NATURAL RESOURCES** or a court of competent jurisdiction,
13 even though they are a general obligation of the village and bonds
14 issued or contract or assessment obligations incurred for water
15 supply, sewage, drainage, or refuse disposal necessary to protect
16 the public health by abating pollution even though they are a
17 general obligation of the village, are not included in this
18 limitation. Money on hand in a sinking fund limited to the payment
19 of indebtedness may be treated as a reduction of the indebtedness
20 to that extent. In case of fire, flood, or other calamity requiring
21 an emergency fund for the relief of the inhabitants of the village,
22 or for the repairing or rebuilding of any of its municipal
23 buildings, works, bridges, or streets, the council may borrow money
24 due in not more than 3 years and in an amount not exceeding 1/4 of
25 1% of the taxable valuation of the village, notwithstanding that
26 the loan may increase the indebtedness of the village beyond the
27 limitations fixed by this section. If a village is authorized to

1 acquire or operate a public utility, the village may issue mortgage
2 bonds therefor beyond the general limit of bonded indebtedness
3 prescribed by this section. The mortgage bonds issued beyond the
4 limit of general indebtedness prescribed by this section shall not
5 impose any liability upon the village, but shall be secured only
6 upon the property and revenues of the public utility, including its
7 franchise, stating the terms upon which, in case of foreclosure,
8 the purchaser may operate the public utility; which franchise shall
9 not extend for a period of more than 20 years from the date of the
10 sale of the utility and franchise on foreclosure. All bonds issued,
11 or contract or assessment obligations incurred, before January 30,
12 1974 are validated.

13 Enacting section 1. This amendatory act does not take effect
14 unless Senate Bill No. 807 or House Bill No.____ (request no.
15 04046'09) of the 95th Legislature is enacted into law.