

HOUSE BILL No. 4761

June 15, 2011, Introduced by Rep. Bumstead and referred to the Committee on Local, Intergovernmental, and Regional Affairs.

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
9 prohibition does not apply to elections that may be held in the
10 submission and resubmission of charters to villages that may be
11 incorporated under this act until they have first adopted a
12 charter.

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

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

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

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

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

21 (h) Incur indebtedness by the issue of bonds, or otherwise, in
22 a sum that, including existing indebtedness, exceeds 10% of the
23 assessed valuation of the real and personal property within the
24 village subject to taxation, as shown by the last assessment roll
25 of the village. Bonds issued in anticipation of the collection of
26 special assessments, even though they are a general obligation of
27 the village, motor vehicle highway fund bonds, revenue bonds, and

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

1 terms upon which, in case of foreclosure, the purchaser may operate
2 the public utility. The franchise shall not extend for a period
3 longer than 20 years from the date of the sale of the public
4 utility and franchise on foreclosure. Bonds issued, or contract or
5 assessment obligations incurred, before July 31, 1973 are
6 validated. As used in this subdivision:

7 (i) "Combined sewer overflow" means a discharge from a combined
8 sewer system that occurs when the flow capacity of the combined
9 sewer system is exceeded.

10 (ii) "Combined sewer overflow abatement facility" means works,
11 instrumentalities, or equipment necessary or appropriate to abate
12 combined sewer overflows.

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

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

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

22 (A) Engineering services.

23 (B) Legal services.

24 (C) Financial services.

25 (D) Design of plans and specifications.

26 (E) Acquisition of land or structural components.

27 (F) Building, erection, alteration, remodeling, or extension

1 of a combined sewer overflow abatement facility.

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

4 (v) "Improvement" means any action undertaken to expand,
5 rehabilitate, or restore a combined sewer overflow abatement
6 facility.

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

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

15 (j) Issue bonds without creating a sinking fund for the
16 payment of the bonds, except special assessment bonds that are a
17 charge upon a special district created for the payment of the
18 bonds, and serial bonds payable annually.

19 **(2) BEGINNING ON THE EFFECTIVE DATE OF THE AMENDATORY ACT THAT**
20 **ADDED THIS SUBSECTION, A VILLAGE SHALL NOT ADOPT A VILLAGE CHARTER,**
21 **ORDINANCE, OR RESOLUTION THAT INCLUDES ANY MINIMUM STAFFING**
22 **REQUIREMENT FOR VILLAGE EMPLOYEES. ANY PROVISION IN A VILLAGE**
23 **CHARTER, ORDINANCE, OR RESOLUTION ADOPTED ON OR AFTER THE EFFECTIVE**
24 **DATE OF THE AMENDATORY ACT THAT ADDED THIS SUBSECTION THAT CONTAINS**
25 **A MINIMUM STAFFING REQUIREMENT FOR VILLAGE EMPLOYEES IS VOID AND**
26 **UNENFORCEABLE.**