

EMERGENCY SERVICES TO MUNICIPALITIES (EXCERPT)

Act 57 of 1988

124.609a Authority to issue negotiable bonds or notes; applicability of the revised municipal finance act, MCL 141.2101 to 141.2821.

Sec. 9a. (1) An authority may borrow money and issue its negotiable bonds or notes to finance any of the following for authority purposes:

(a) The acquisition, construction, and furnishing of buildings or facilities or portions of buildings or facilities.

(b) The acquisition of necessary property.

(c) The acquisition and installation of necessary equipment.

(2) An authority may issue general obligation unlimited tax bonds upon approval of a majority of the electors in the jurisdictional limits of the authority voting on the question of issuing the bonds. The proposal to issue general obligation unlimited tax bonds must be submitted to a vote of the electors of the authority by resolution of the board of the authority. The resolution must contain the language of the ballot proposal.

(3) The election for a bond proposal described in subsection (2) must be conducted and canvassed in the same manner as an election on a millage proposal as described in section 12 and in accordance with the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992. The results of the election must be certified to the governing body of the authority promptly after the date of the election. Not more than 1 election may be held in the jurisdictional limits of an authority in a calendar year for approval of a bond issue authorized under subsection (2).

(4) If an authority issues general obligation unlimited tax bonds under subsection (2), the board, by resolution, shall authorize and levy the taxes necessary to pay the principal of and interest on the bonds.

(5) An authority may issue limited tax bonds or notes by resolution of the board without submitting the question to the electors in the jurisdictional limits of the authority.

(6) Bonds or notes issued by an authority are a debt of the authority and not of the incorporating municipalities. If an incorporating municipality withdraws from an authority, taxes imposed or levied for payment of bonds approved as provided in this act before the adoption of the resolution to withdraw must continue to be levied within the district as if the municipality did not withdraw from the authority until the principal of and interest on those bonds are paid in full.

(7) An authority shall not borrow money or issue bonds or notes for a sum that, together with the total outstanding bonded indebtedness of the authority, exceeds 5% of the state equalized valuation of the taxable property within the jurisdictional limits of the authority.

(8) All bonds or notes issued by an authority under this act are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

History: Add. 2022, Act 102, Imd. Eff. June 14, 2022.