

**THE GENERAL LAW VILLAGE ACT (EXCERPT)**  
**Act 3 of 1895**

CHAPTER VIII  
IMPROVEMENTS AND ASSESSMENTS.

**68.1-68.22 Repealed. 1974, Act 4, Imd. Eff. Jan. 30, 1974.**

**68.31 Expense of local public improvement or repair; special assessments.**

Sec. 31. The council of the village by adopting a resolution pursuant to section 5 of chapter V may determine that the whole or a part of the expense of a local public improvement or repair shall be defrayed by special assessments upon the property specially benefited.

**History:** Add. 1974, Act 4, Imd. Eff. Jan. 30, 1974;—Am. 1998, Act 254, Imd. Eff. July 13, 1998.

**68.32 Ordinance providing special assessment procedure; contents; additional assessments; disposition of excess assessments; payment of future due installments.**

Sec. 32. The complete special assessment procedure to be used, including the time when special assessments may be levied; the kinds of local public improvements for which a hearing is required on the resolution levying the special assessments; the preparing of plans and specifications; estimated costs; the preparation, hearing, and correction of the special assessment roll; the collection of special assessments; the assessment of single lots or parcels; and any other matters concerning the making of improvements by the special assessment method, shall be provided by ordinance. The ordinance shall authorize additional assessments, if the prior assessment proves insufficient to pay for the improvement or is determined to be invalid, in whole or in part, and shall provide for the refund of excess assessments; however, if the excess is less than 5% of total cost as defined by ordinance, it may be placed in the general fund of the village. The payment of future due installments of a special assessment against a parcel of land may be made at any time in full, with interest accrued to the due date of the next installment.

**History:** Add. 1974, Act 4, Imd. Eff. Jan. 30, 1974;—Am. 1978, Act 29, Imd. Eff. Feb. 24, 1978.

**68.33 Special assessment as lien and debt; collection.**

Sec. 33. From the date of confirmation of a roll levying a special assessment, the full amount of the assessment and the interest thereon shall constitute a lien on the premises subject thereto and that amount shall be a debt of the person to whom assessed until paid and, in case of delinquency, may be collected as delinquent village property taxes or by a suit against the person.

**History:** Add. 1974, Act 4, Imd. Eff. Jan. 30, 1974.

**68.34 Action to contest collection of special assessment; illegal assessment roll.**

Sec. 34. An action to contest the collection of a special assessment shall be instituted under the tax tribunal act, 1973 PA 186, MCL 205.701 to 205.779.

**History:** Add. 1974, Act 4, Imd. Eff. Jan. 30, 1974;—Am. 1998, Act 254, Imd. Eff. July 13, 1998.

**68.35 Bonds.**

Sec. 35. The village council may borrow money and issue bonds of the village therefor in anticipation of the payment of special assessments in 1 or more special assessment districts, which bonds may be an obligation of the special assessment district or may be both an obligation of the special assessment district and a general obligation of the village. The village council may issue general obligation bonds to defray that portion of the cost and expense of a local public improvement chargeable to the village at large.

**History:** Add. 1974, Act 4, Imd. Eff. Jan. 30, 1974.

**68.36 Energy conservation improvements; acquisition or financing; resolution; payment; scope of improvements; acquisition of improvements by contract, lease-purchase agreement, or notes; reports; forms; terms of lease-purchase agreement.**

Sec. 36. (1) The council of a village may provide by resolution for the acquisition or financing of energy conservation improvements to be made to village facilities or infrastructure and may pay for the improvements or the financing or refunding of the improvements from operating funds of the village or from the savings that result from the energy conservation improvements. Energy conservation improvements may include, but are not limited to, heating, ventilating, or air-conditioning system improvements, fenestration improvements, roof improvements, the installation of any insulation, the installation or repair of heating, ventilating, or air-conditioning controls, entrance or exit way closures, information technology improvements

associated with an energy conservation improvement, and municipal utility improvements associated with an energy conservation improvement.

(2) The council of a village may acquire, finance, or refund 1 or more of the energy conservation improvements described in subsection (1) by installment contract, which may include a lease-purchase agreement described in subsection (5), or may borrow money and issue notes for the purpose of securing funds for the improvements or may enter into contracts in which the cost of the energy conservation improvements is paid from a portion of the savings that result from the energy conservation improvements. These contractual agreements may provide that the cost of the energy conservation improvements are paid only if the energy savings are sufficient to cover their cost. An installment contract, a lease-purchase agreement described in subsection (5), or notes issued pursuant to this subsection shall extend for a period of time not to exceed 20 years from the date of the final completion of the energy conservation improvements or the useful life of the aggregate energy conservation improvements, whichever is less. Notes issued pursuant to this subsection shall be full faith and credit, tax limited obligations of the village, payable from tax levies and the general fund as pledged by the council of the village. The notes are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. A lease-purchase agreement issued pursuant to this subsection shall not be subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, and shall not be a municipal security or a debt as those terms are defined in that act. This subsection does not limit in any manner the borrowing or bonding authority of a village as provided by law.

(3) Prior to entering into a contract for energy conservation improvements under this section, the village council shall determine the following information and, within 60 days of the completion of the improvements, shall report the following information to the department of treasury:

(a) Name of each facility to which an improvement is made and a description of the energy conservation improvement.

(b) Actual energy consumption during the 12-month period before commencement of the improvement.

(c) Project costs and expenditures, including the total of all lease payments over the duration of the lease-purchase agreement.

(d) Estimated annual energy savings, including projected savings over the duration of the installment contract.

(4) If energy conservation improvements are made as provided in this section, the village council shall report to the department of treasury, by July 1 of each of the 5 years after the improvements are completed, only the actual annual energy consumption of each facility to which improvements are made. The forms for the reports required by this section shall be furnished by the department of treasury.

(5) An installment contract described in this section may include a lease-purchase agreement, which may be a multiyear contractual obligation that provides for automatic renewal unless positive action is taken by the legislative body to terminate that contract. Payments under a lease-purchase agreement shall be a current operating expense subject to annual appropriations of funds by the legislative body and shall obligate the legislative body only for those sums payable during the fiscal year of contract execution or any renewal year thereafter. The legislative body may make payments under a lease-purchase agreement from any legally available funds or from a combination of energy or operational savings, capital contributions, future replacement costs avoided, or billable revenue enhancements that result from energy conservation improvements, provided that the legislative body has determined that those funds are sufficient to cover, in aggregate over the full term of the contractual agreement, the cost of the energy conservation improvements. The lease-purchase agreement will terminate immediately and absolutely and without further obligation on the part of the legislative body at the close of the fiscal year in which it was executed or renewed or at such time as appropriated and otherwise unobligated funds are no longer available to satisfy the obligations of the legislative body under the lease-purchase agreement. During the term of the lease-purchase agreement, the legislative body shall be the vested owner of the energy conservation improvements and may grant a security interest in the energy conservation improvements to the provider of the lease-purchase agreement. Upon the termination of the lease-purchase agreement and the satisfaction of the obligations of the legislative body, the provider of the lease-purchase agreement shall release its security interest in the energy conservation improvements.

**History:** Add. 1984, Act 402, Imd. Eff. Dec. 28, 1984;—Am. 1989, Act 28, Imd. Eff. May 23, 1989;—Am. 2002, Act 276, Imd. Eff. May 9, 2002;—Am. 2016, Act 120, Eff. Aug. 17, 2016.

**Compiler's note:** For transfer of functions relating to energy policy from the Energy Administration, Department of Commerce, to the Public Service Commission, Department of Commerce, see E.R.O. No. 1986-4, compiled at MCL 460.901 of the Michigan Compiled Laws.

For transfer of powers and duties of the public service commission pertaining to energy conservation improvement reports from the public service commission to the state treasurer, see E.R.O. No. 1996-2, compiled at MCL 445.2001 of the Michigan Compiled Laws.