

Act No. 32
Public Acts of 1993
Approved by the Governor
April 22, 1993
Filed with the Secretary of State
April 23, 1993

**STATE OF MICHIGAN
87TH LEGISLATURE
REGULAR SESSION OF 1993**

Introduced by Reps. Mathieu, Middaugh, Wetters, Shepich, McNutt, Brown, O'Neill, Stille, Dalman, Goschka, DeMars, Jaye, Bobier, Horton and Pitoniak

ENROLLED HOUSE BILL No. 4302

AN ACT to amend section 26 of Act No. 278 of the Public Acts of 1909, entitled as amended "An act to provide for the incorporation of villages and for revising and amending their charters; to provide for the levy and collection of taxes, borrowing of money, and issuance of bonds and other evidences of indebtedness; and to validate bonds issued and obligations previously incurred," being section 78.26 of the Michigan Compiled Laws; and to add section 24c.

The People of the State of Michigan enact:

Section 1. Section 26 of Act No. 278 of the Public Acts of 1909, being section 78.26 of the Michigan Compiled Laws, is amended and section 24c is added to read as follows:

Sec. 24c. A village may acquire land outside its corporate limits necessary for the disposal of sewage or the obtaining or protection of a water supply for the village or the inhabitants of the village by purchase or, if the proposed use will not materially injure the health or safety of the persons living adjacent to the land, by condemnation pursuant to the uniform condemnation procedures act, Act No. 87 of the Public Acts of 1980, being sections 213.51 to 213.77 of the Michigan Compiled Laws.

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

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

(b) Call more than 2 special elections within 1 year. This prohibition does not apply to elections that may be held in the submission and resubmission of charters to villages that may be incorporated under this act until they have first adopted a charter.

(c) Change the salary or emoluments of a public official after his or her election or appointment, or during his or her term of office, where the office is held for a fixed term, nor shall the term of a public official be shortened or extended beyond the period for which he or she is elected or appointed, unless he or she is removed for cause.

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

(e) Authorize an issue of bonds, except special assessment bonds, bonds for the village portion of local improvements, not to exceed 40% of the cost of the improvement, refunding bonds, bonds for relief from fire, flood, or calamity, or for payment of judgments, and bonds that the legislative body is authorized by specific statute to issue without vote of the

electors, unless approved by a majority of the electors voting on the issuance of the bonds at a general or special election.

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

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

(h) Incur indebtedness by the issue of bonds, or otherwise, in a sum that, including existing indebtedness, exceeds 10% of the assessed valuation of the real and personal property within the village subject to taxation, as shown by the last preceding assessment roll of the village. Bonds issued in anticipation of the collection of special assessments, even though they are a general obligation of the village, motor vehicle highway fund bonds, revenue bonds, and bonds issued, or contract or assessment obligations incurred, to comply with an order of the water resources commission or a court of competent jurisdiction, even though they are a general obligation of the village, bonds issued, or contract or assessment obligations incurred, for water supply, sewerage, drainage, or refuse disposal projects necessary to protect the public health by abating pollution, even though they are a general obligation of the village, and bonds issued for the construction, improvement, or replacement of a combined sewer overflow abatement facility are not included in this limitation. Money on hand in a sinking fund limited to the payment of indebtedness may be treated as a reduction of the indebtedness to that extent. In case of fire, flood, or other calamity requiring an emergency fund for the relief of the inhabitants of the village, or for the repairing or rebuilding of any of its municipal buildings, works, bridges, or streets, the legislative body of the village may borrow money due in not more than 3 years and in an amount not exceeding 1/4 of 1% of the assessed valuation of the village, notwithstanding that the loan may increase the indebtedness of the village beyond the limitations fixed by its charter or in this act. If a village is authorized to acquire or operate a public utility, it may issue mortgage bonds for that purpose beyond the general limit of bonded indebtedness prescribed by law. The mortgage bonds issued beyond the limit of general indebtedness prescribed by law shall not impose a liability upon the village, but shall be secured only upon the property and revenues of the public utility, including a franchise, stating the terms upon which, in case of foreclosure, the purchaser may operate the public utility. The franchise shall not extend for a period longer than 20 years from the date of the sale of the public utility and franchise on foreclosure. Bonds issued, or contract or assessment obligations incurred, before July 31, 1973 are validated. As used in this subdivision:

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

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

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

(iv) "Construction" means any action undertaken in the designing or building of a combined sewer overflow abatement facility. This term includes, but is not limited to, all of the following:

(A) Engineering services.

(B) Legal services.

(C) Financial services.

(D) Design of plans and specifications.

(E) Acquisition of land or structural components.

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

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

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

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

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

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

This act is ordered to take immediate effect.

Co-Clerk of the House of Representatives.

Secretary of the Senate.

Approved -----

Governor.