

HOUSE BILL No. 5970

March 18, 2010, Introduced by Reps. Walsh, DeShazor, Elsenheimer, Kowall, Stamas,
Marleau, Horn, Rick Jones and Crawford and referred to the Committee on Tax Policy.

A bill to amend 1939 PA 342, entitled
"County public improvement act of 1939,"
by amending section 5a (MCL 46.175a), as amended by 2002 PA 199.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5a. As an additional or alternative method of acquiring
2 and constructing any of the improvements or facilities authorized
3 by this act, the county, acting through its county agency, and any
4 unit of government may enter into contracts providing for the
5 acquisition, construction, and financing of improvements or
6 facilities in the manner authorized in this act. The contracts
7 shall provide for the allocation and payment of the share of the
8 total cost to be borne by each unit of government in annual
9 installments for a period of not exceeding 40 years, and each

1 contracting unit of government is authorized to pledge its full
2 faith and credit for the payment of the obligation in the manner
3 and times specified in the contracts. A contract described in this
4 section is not subject to the revised municipal finance act, 2001
5 PA 34, MCL 141.2101 to 141.2821. For the purpose of making payment
6 of its pledged share of the cost of the improvements or facilities,
7 any contracting unit of government may use any, or all, or any
8 combination of the following methods of raising funds:

9 (a) The levy of a tax on taxable property by a unit of
10 government having the power to tax, which tax may be imposed
11 without limitation as to rate or amount and in addition to any
12 taxes that the unit of government may be authorized to levy but not
13 more than the rate or amount sufficient for those purposes.

14 (b) The levy of special assessments on property benefited by
15 the improvements, the procedures relative to the making and
16 collection of the special assessments to conform as near as may be
17 to applicable charter or statutory provisions. **AFTER DECEMBER 31,**
18 **2009, IF A SPECIAL ASSESSMENT DISTRICT ON PROPERTY BENEFITED BY THE**
19 **IMPROVEMENTS INCLUDES THE ENTIRE CONTRACTING UNIT OF GOVERNMENT,**
20 **THE QUESTION OF RAISING MONEY BY SPECIAL ASSESSMENT AND THE AMOUNT**
21 **OF THE SPECIAL ASSESSMENT TO BE LEVIED SHALL BE APPROVED BY A**
22 **MAJORITY OF THE ELECTORS OF THE CONTRACTING UNIT OF GOVERNMENT AT A**
23 **GENERAL ELECTION OR SPECIAL ELECTION CALLED FOR THAT PURPOSE.**

24 (c) The levy and collection of rates or charges to users and
25 beneficiaries of the service furnished by the improvement.

26 (d) From money received or to be received derived from the
27 imposition of taxes by this state, except as the use of the money

1 for that purpose is expressly prohibited by the state constitution
2 of 1963.

3 (e) From any other funds that may be validly used for that
4 purpose. The contracts may provide for any and all matters relating
5 to the acquisition, construction, and financing of the improvements
6 or facilities as are considered necessary, including the authority
7 to the county agency to issue bonds secured by the full faith and
8 credit contractual pledges of the contracting unit of government,
9 as authorized by section 5c. The contracts may provide for
10 appropriate remedies in case of default, including, but not limited
11 to, the right of the contracting unit of government to authorize
12 the state treasurer or other official charged with the disbursement
13 of unrestricted state funds returnable to the governmental units
14 under the state constitution of 1963, to withhold sufficient funds
15 to make up any default or deficiency in funds.