

SENATE BILL No. 1007

July 16, 2014, Introduced by Senators PAPPAGEORGE, KOWALL, ROBERTSON and KAHN and referred to the Committee on Finance.

A bill to amend 1954 PA 188, entitled

"An act to provide for the making of certain improvements by townships; to provide for paying for the improvements by the issuance of bonds; to provide for the levying of taxes; to provide for assessing the whole or a part of the cost of improvements against property benefited; and to provide for the issuance of bonds in anticipation of the collection of special assessments and for the obligation of the township on the bonds,"

by amending sections 7, 8, and 9a (MCL 41.727, 41.728, and 41.729a), section 7 as amended by 1986 PA 180 and section 9a as amended by 1995 PA 139.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 7. (1) The township board may provide that special
2 assessments are payable in 1 or more installments, but the amount
3 of an installment shall not be less than 1/2 of any subsequent
4 installment. The amount of each installment, if more than 1, need

1 **SHALL** not be extended upon the special assessment roll until after
2 confirmation of that assessment roll. Subject to the provisions of
3 section 4(4), the amount of installments for improvements subject
4 to periodic cost revision may be extended upon the special
5 assessment roll by the township board without additional public
6 hearings or public notice, provided that additional property is not
7 added to the special assessment roll.

8 (2) The first installment of a special assessment ~~shall be~~ **IS**
9 due on or before the time after confirmation **OF THAT SPECIAL**
10 **ASSESSMENT ROLL** as **DETERMINED BY** the township board. ~~shall fix.~~
11 Subsequent installments ~~shall be~~ **ARE** due at intervals of 12 months
12 from the due date of the first installment or from a date
13 **DETERMINED BY** the township board. ~~shall fix.~~

14 (3) All unpaid installments, prior to their transfer to the
15 township tax roll as provided by this act, shall bear interest,
16 payable annually on each installment due date, at a rate to be set
17 by the township board, not exceeding 1% above the average rate of
18 interest borne by special assessment bonds issued by the township
19 in anticipation of all or part of the unpaid installments; or not
20 exceeding 1% above the average rate of interest borne by bonds
21 issued by a county, drainage district, or authority if the unpaid
22 installments are to be applied to the payment of a contract
23 obligation of the township to the county or authority or to the
24 payment of an assessment obligation of the township to the drainage
25 district; or, if bonds are not issued by the township, a county, a
26 drainage district, or an authority, not exceeding 8% per annum,
27 commencing in each case from a date fixed by the township board.

1 (4) Future due installments of an assessment against any
2 parcel of ~~land~~-PROPERTY may be paid to the township treasurer at
3 any time in full, with interest accrued through the month in which
4 the final installment is paid.

5 (5) IF THE TOWNSHIP BOARD PROVIDES THAT A SPECIAL ASSESSMENT
6 IS PAYABLE IN INSTALLMENTS UNDER SUBSECTION (1), THE AMOUNT OF ANY
7 LIEN ON THE PARCEL OF PROPERTY ASSESSED FOR THAT SPECIAL ASSESSMENT
8 IS LIMITED TO EACH INDIVIDUAL INSTALLMENT AND SHALL NOT ATTACH TO
9 THE PROPERTY ASSESSED UNTIL THAT INDIVIDUAL INSTALLMENT IS DUE AS
10 PROVIDED IN SUBSECTION (2).

11 (6) ~~(4)~~—If an installment of a special assessment is not paid
12 when due, then the installment shall be considered to be delinquent
13 and there shall be collected, in addition to interest as provided
14 by this section, a penalty at the rate of not more than 1% for each
15 month, or fraction of a month, that the installment remains unpaid
16 before being reported to the township board for reassessment upon
17 the township tax roll.

18 Sec. 8. (1) ~~All~~-EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION
19 (2), ALL special assessments contained in any special assessment
20 roll ~~, including any part thereof deferred as to payment,~~ shall,
21 from the date of confirmation of ~~such~~-THAT roll, constitute a lien
22 upon the respective parcels of ~~land~~-PROPERTY assessed. ~~Such~~

23 (2) IF THE TOWNSHIP BOARD PROVIDES THAT A SPECIAL ASSESSMENT
24 IS PAYABLE IN INSTALLMENTS UNDER SECTION 7(1), THE AMOUNT OF ANY
25 LIEN ON THE PARCEL OF PROPERTY ASSESSED FOR THAT SPECIAL ASSESSMENT
26 IS LIMITED TO EACH INDIVIDUAL INSTALLMENT AND SHALL NOT ATTACH TO
27 THE PROPERTY ASSESSED UNTIL THAT INDIVIDUAL INSTALLMENT IS DUE AS

1 **PROVIDED IN SECTION 7(2).**

2 (3) A lien **FOR A SPECIAL ASSESSMENT UNDER THIS ACT** shall be of
3 the same character and effect as ~~the A~~ lien created for township
4 taxes and shall include accrued interest and penalties.

5 (4) No judgment or decree or any act of the township board
6 vacating a special assessment shall destroy or impair ~~the A~~ lien of
7 the township upon the ~~premises~~ **PROPERTY** assessed for ~~such~~ **THE**
8 amount of the assessment ~~as THAT~~ may be equitably charged against
9 ~~the same, THAT PROPERTY, or as by~~ **THROUGH** a regular mode of
10 proceeding ~~might~~ **MAY** be lawfully assessed ~~thereon~~ **ON THAT PROPERTY.**

11 Sec. 9a. (1) An owner of property who by reason of hardship is
12 unable to contribute to the cost of an assessment for an
13 improvement authorized in section 2(1)(a), (b), (c), (g), (h), or
14 (n) may have the assessment deferred by application to the
15 assessing officer. Upon receipt of evidence of hardship, the
16 township may defer partial or total payment of the assessment.

17 (2) The township board may enact an ordinance to define
18 hardship and to permit deferred or partial payment of an assessment
19 pursuant to this section. As a condition of granting the deferred
20 or partial payment of an assessment, the township board shall
21 require that any deferred assessment constitute a recorded lien
22 against the property, **SUBJECT TO SECTION 8(2).**