TOWNSHIP WATER SUPPLY AND SEWAGE DISPOSAL SERVICES AND FACILITIES
Act 107 of 1941

AN ACT to authorize township water supply and sewage disposal services and facilities; to provide for financing of those services and facilities; to prescribe the powers and duties of township boards with respect to those services and facilities; and to prescribe penalties and provide remedies.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—Am. 1951, Act 201, Imd. Eff. June 14, 1951;—Am. 1989, Act 83, Imd. Eff. June 20, 1989;—Am. 1998, Act 195, Eff. Mar. 23, 1999.

The People of the State of Michigan enact:

41.331 Furnishing water to water supply district; petitions; contracts; terms and conditions.

Sec. 1. Upon filing with the township clerk of petitions, verified both as to signature and ownership, signed by 60% of the record owners of the land to be made into a township water supply district, the township board in the township may contract with another township or a city, village, or authority for the furnishing of water to the water supply district for fire protection and domestic purposes under terms and conditions agreed upon between the township board and the board or other representative body of the township, city, village, or authority.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.331;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.332 Water mains and fittings; purchase, installation, and maintenance.

Sec. 2. For the purpose of distributing the water to be furnished in pursuance of a contract authorized by section 1, the township board may purchase and lay necessary water mains and fittings and maintain and control their use, either along public highways or upon private property for which the right to lay the pipe has been obtained.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.332;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.333 Water supply system; payment from contingent fund; limitations; separately financed and operated water supply system; map.

Sec. 3. Not more than 75% of the net cost, exclusive of money, materials, and labor that are supplied by a federal agency, of purchasing and laying the mains and fittings of a water supply system shall be paid out of the contingent fund of the township. On resolving to make and install the improvement, the township board shall determine by resolution the net cost and the share of the net cost not exceeding 75% that the contingent fund of the township shall bear. However, no part of the cost of a water supply system acquired or created under sections 1 to 20a shall be levied or collected as a tax or assessment, whether general or special, upon property located in a village or school district or located in a water supply district in the township, including an area of the township served by a water system owned or operated by a city, if the village, school district, or water supply district has a water supply system that was originally acquired and is operated by or for the village, school district, or water supply district without any expense to the township at large. A water supply system, so separately financed and operated, shall not be taken, as to ownership or control, except by due process of law as provided by the general laws of this state. After determining the amount of money to be appropriated at any time from the township's contingent fund for purposes authorized in this section, the township board may set apart from that amount when appropriated a proportionate part of that amount for the benefit of the separately operated water supply system in the same ratio to the whole amount appropriated as the population of the separate district bears to the total population of the township, as determined by the board. This proportionate part shall be applied for the betterment of the separate water supply system as and when authorized by the board. The township board shall prepare and keep on file a map defining the boundaries of a water supply district served by the separately financed and operated water supply system separate from a township water system.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.333;—Am. 1949, Act 10, Imd. Eff. Mar. 8, 1949;—Am. 1949, Act 118, Eff. Sept. 23, 1949;—Am. 1951, Act 201, Imd. Eff. June 14, 1951;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.334 Percentage of net cost remaining after application of MCL 41.333; payment.

Sec. 4. The percentage of the net cost remaining after application of section 3 shall be raised by payment, in accordance with sections 5 and 5a from property owners in the township water supply district.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.334;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.335 Tapping or making connection with mains of water supply district; payment; plan for

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financing, maintenance, and control of improvement.

Sec. 5. A person or property owner shall not tap or make a connection with the mains of a water supply district established under section 1 without having paid for the privilege. On compliance with the provisions of section 3, the township board shall promulgate and adopt, by resolution, a plan for financing, maintenance, and control of the improvement. The plan shall provide all of the following:

(a) The minimum payment for the privilege of tapping and making of each private connection with the mains.

(b) A specified date by which all minimum payments shall be made to the township treasurer. The date shall be not less than 30 nor more than 60 days after completion of the publication required by section 6.

(c) The amount payable to the township treasurer after the date specified pursuant to subdivision (b) for the privilege of tapping and making of each private connection with the mains. This amount shall be not more than 50% nor less than 20% greater than the minimum payment specified pursuant to subdivision (a).

(d) Rules and regulations designed to vest exclusive governing control of the mains and fittings in the township board and to maintain and preserve adequate water pressure throughout the mains. The rules and regulations shall conform to the contract made under section 1. The rules and regulations shall include a provision limiting the number of private connections that may be purchased and made with the mains; a provision limiting the length of all private connections with the mains; provisions declaring the maximum size of pipe that may be used by all persons and property owners in making and maintaining private connections with the mains; a provision for minimum distance, on either or both sides of the mains, between taps for all private connections; and general provisions governing use and control of the mains, assessment of water rates, collection and payment of water rates, and suitable penalties for nonpayment of the rates.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.335;—Am. 1949, Act 10, Imd. Eff. Mar. 8, 1949;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.335a Township water board; establishment; powers; loans from private parties; retirement of loans.

Sec. 5a. The township board may include, in its plan under section 5, rules and regulations for the establishment of a township water board and for loans to the water board from private parties of money necessary to aid in the financing of the project petitioned for under section 1. The loans shall be retired only out of excess money as defined in section 9 and other direct revenues, if any, to be derived from the project. A water board established in accordance with this section shall exercise under direction of the township board all of the powers of maintenance and control that are granted by sections 1 to 20a to the township board.

History: Add. 1949, Act 10, Imd. Eff. Mar. 8, 1949;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.336 Publication of plan adopted under MCL 41.335.

Sec. 6. Immediately following adoption of the plan under section 5, it shall be published at full length by the township board once each week for 3 successive weeks in a newspaper circulating within the township in which the improvement petitioned for under section 1 is to be made. Proof of the publication shall be made and filed with the township clerk before installation of the improvement commences. The publication is the sole notice of the improvement and of the provisions of the plan that interested persons and property owners are entitled to receive.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.336;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.337 Failure to pay percentage of net cost remaining after application of MCL 41.333; refund of money previously deposited.

Sec. 7. If the percentage of the net cost remaining after application of section 3 is not, in pursuance of the plan under section 5, fully paid in to the township treasurer, by paid for connection rights as provided for in the plan or loans made in accordance with section 5a, or both, by the date specified pursuant to section 5(b), the improvement petitioned for under section 1 shall not be commenced and all money previously deposited with the township treasurer in pursuance of the plan shall be refunded immediately by the township treasurer to the respective depositors of the money.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.337;—Am. 1949, Act 10, Imd. Eff. Mar. 8, 1949;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.338 Installation of improvement by township board; loan.

Sec. 8. If a sufficient number of private connection rights are timely paid for in accordance with the terms of the plan provided for by section 5, the township board shall immediately proceed to make and install the improvement petitioned for under section 1 and may, by resolution, do what is necessary to accomplish the

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purposes of the plan. The board may borrow all or part of the amount to be appropriated from the contingent fund under section 3 if, in the judgment of the board, the contingent fund will, by such appropriation, be depleted to such extent as may hamper general township operations. The loan shall conform to the provisions of the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.338;—Am. 1989, Act 83, Imd. Eff. June 20, 1989;—Am. 2002, Act 227, Imd. Eff. Apr. 29, 2002.

41.339 Excess money; deposit in contingent fund; applicability of section.

Sec. 9. Money that is paid in to the township treasurer for private connection rights under section 5 on or before the date specified pursuant to section 5(b) which creates an excess over the percentage of the net cost remaining after application of section 3 and money that is paid into the township treasurer for the rights after that date is excess money and shall be deposited in the contingent fund. This section applies to all money received by the township treasurer after May 19, 1941, in cases in which water mains, prior to May 20, 1941, were extended or installed in accordance with a plan substantially similar to that contemplated by section 5.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.339;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.340 Maintenance and use of mains and fittings of water supply district; control by township board; amendment of rules and regulations; notice; publication.

Sec. 10. The township board has exclusive governing control over the maintenance and use of the mains and fittings of a water supply district established under section 1 and shall exercise this control in accordance with the terms of sections 1 to 20a and the rules and regulations that are required by and conform to section 5(d). The rules and regulations may be amended by the township board only after notice of its intention to do so, specifying the date, hour, and place of meeting of the board for this purpose, is published for 3 successive weeks in a newspaper circulating within the township.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.340;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.341 Water mains extended or installed in accordance with similar plan; control by township board; rules and regulations; publication; amendment or alteration; notice.

Sec. 11. If water mains have been extended or installed in accordance with a plan substantially similar to that contemplated by section 5, the township board, subject to provisions of any contract that has been made with another township or a city, village, or authority for furnishing water through the mains, has exclusive governing control over the mains and fittings and their maintenance and use. In such cases, the township board may promulgate and adopt, by resolution, rules and regulations conforming substantially with section 5(d). The rules and regulations become effective on completion of their publication, at full length, once each week for 3 successive weeks in a newspaper circulating within the township in which the improvement has been made. After the rules and regulations become effective, they may be amended or altered by the township board only after notice of its intention to do so, specifying the date, hour, and place of meeting of the board for this purpose, is published for 3 successive weeks in a newspaper circulating within the township.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.341;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.342 Definitions.

Sec. 12. As used in sections 1 to 20a:

(a) "Township water supply district" means the portion of the township described in the petition required by section 1.

(b) "Private connection" means the tapping of a main and the connection of the main with a nonpublic building or premises as distinguished from a connection with a public building or premises and from an extension of such a main, lateral or otherwise, that the township board, in accordance with altered or amended rules and regulations, authorizes in and along a public highway.

(c) "Corporation" includes foreign and domestic corporations lawfully doing business in this state.

History: 1941, Act 107, Imd. Eff. May 20, 1941;—CL 1948, 41.342;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.343 Township water supply and sewage disposal system; loan from corporation; bonds.

Sec. 13. A corporation proposing to locate and construct, in a township having no sewage disposal system and a water supply system installed before June 14, 1951 under the terms of sections 1 to 12 that is inadequate for domestic and proposed industrial or commercial requirements, a business or plant requiring the facilities of a modern and sufficient public water supply and sewage disposal system may loan to the township money sufficient to provide for the acquisition and construction of an adequate township water supply and sewage disposal system and for the refunding of revenue bonds or revenue notes then outstanding and constituting a

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lien upon the revenues of the existing water supply system. Without complying with section 1, the township may borrow money from the corporation for these purposes; execute revenue bonds and mortgages securing the loan; pledge the net revenues of the proposed water supply and sewage disposal system to the repayment of the loan; acquire, construct, or improve the works; and refund the bonds or notes. A bond issued under the provisions of this section is a valid and subsisting obligation of the township.

History: Add. 1951, Act 201, Imd. Eff. June 14, 1951;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

Former law: See section 13 of Act 107 of 1941, which was repealed by Act 267 of 1945.

41.344 Contract for issuance and delivery of negotiable revenue bonds; interest, terms, and conditions.

Sec. 14. A township borrowing pursuant to section 13 may enter into a contract with the corporation described in section 13 for the issuance and delivery to the corporation or its assigns of self-liquidating and fully negotiable revenue bonds for the repayment of the loan with interest on the bonds not exceeding the legal rate, according to terms and conditions consistent with sections 1 to 20a and agreed upon between the township board and the lending corporation.

History: Add. 1951, Act 201, Imd. Eff. June 14, 1951;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.345 Exercise of power by ordinance; incorporation and publication of contract as part of ordinance.

Sec. 15. The power conferred on a township by sections 13 and 14 shall be exercised by means of an ordinance adopted by the township board according to the procedure set forth in Act No. 191 of the Public Acts of 1939, being sections 41.191 to 41.192 of the Michigan Compiled Laws, and the contract agreed upon with the corporation as provided in section 14 shall be incorporated in and published as a part of the ordinance.

History: Add. 1951, Act 201, Imd. Eff. June 14, 1951;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

Compiler's note: Act No. 191 of the Public Acts of 1939, cited in this section, was repealed by Act No. 78 of the Public Acts of 1989, Imd. Eff. June 20, 1989.

41.346 Statutory lien upon net revenues; net revenues as trust funds.

Sec. 16. There shall be created in an ordinance required by section 15 a lien, by this act made a statutory lien, upon the net revenues of the water supply and sewage disposal project authorized by section 13. The authorizing ordinance shall pledge the net revenues to the payment of the principal of and interest upon the bonds issued under section 13 to and in favor of the holders of the bonds and the interest coupons pertaining to the bonds and each of the holders. The lien shall be a first lien upon the net revenues. The net revenues shall constitute trust funds for the purposes expressed in this section.

History: Add. 1951, Act 201, Imd. Eff. June 14, 1951;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.347 Duration and enforcement of statutory lien.

Sec. 17. The net revenues pledged pursuant to section 13 remain subject to the statutory lien required by section 16 until payment in full of the principal of and interest upon the revenue bonds issued under section 13. The holder or holders of the bonds representing in the aggregate not less than 20 per cent of the entire issue then outstanding may, either at law or in equity, protect and enforce the statutory lien and enforce and compel the performance of duties of the officials of the borrower, including the fixing of sufficient rates, the collection of revenues, the proper segregation of revenues, and the proper application of revenues. However, the statutory lien does not give a holder or owner of a bond or coupon authority to compel the sale of the water supply and sewage disposal system, the revenues of which are pledged pursuant to section 13.

History: Add. 1951, Act 201, Imd. Eff. June 14, 1951;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.348 Default in payment of principal or interest on bond; appointment and powers of receiver.

Sec. 18. If there is a default in the payment of the principal of or interest upon a bond issued under section 13, a court having jurisdiction in a proper action may appoint a receiver to do 1 or more of the following:

(a) Administer and operate on behalf of the township, under the direction of the court, the water supply and sewage disposal system authorized by section 13, the revenues of which are pledged to the payment of the principal and interest.

(b) With the approval of the court, fix and charge rates and collect revenues sufficient to provide for the payment of bonds or other obligations outstanding against the revenues of the water supply and sewage disposal system authorized by section 13 and for the payment of expenses of operating and maintaining the

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system.

(c) With the approval of the court, apply the income and revenues of the water supply and sewage disposal system in conformity with sections 1 to 20a and the ordinance required by section 15 providing for the issuance of the bonds and in accordance with the court's orders.

History: Add. 1951, Act 201, Imd. Eff. June 14, 1951;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.349 Payment of principal and interest on bonds solely from net revenues; bond or coupon not general obligation or indebtedness; registration.

Sec. 19. The principal of and interest upon the bonds issued under section 13 are payable solely from net revenues derived from the operation of the water supply and sewage disposal system purchased, acquired, constructed, improved, enlarged, extended, or repaired from the proceeds of the bonds that are pledged in the authorizing ordinance, which may include, if the ordinance so provides, net revenues derived by reason of future improvements, enlargements, extensions, or repairs to the water supply and sewage disposal system. A bond or coupon issued pursuant to section 13 is not a general obligation of the borrower and does not constitute an indebtedness of the borrower within the meaning of a state constitutional provision or statutory limitation. Such a bond may be registered as to principal under the terms and conditions determined by the township board.

History: Add. 1951, Act 201, Imd. Eff. June 14, 1951;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350 Operation or maintenance of public improvement; appropriation to pay expenses.

Sec. 20. A township that borrows money under section 13 may appropriate and use revenues from a source other than the operation of the public improvement authorized by section 13 to pay expenses of operation or maintenance of the public improvement.

History: Add. 1951, Act 201, Imd. Eff. June 14, 1951;—Am. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350a Powers conferred by MCL 41.331 to 41.350.

Sec. 20a. Sections 1 to 20 constitute a new and independent authority for the exercise of the powers granted in those sections. The powers conferred by sections 1 to 20 are not affected or limited by any other statute, except as expressly provided in those sections. Sections 1 to 20 create a full and complete additional and alternate method for the exercise of the powers conferred in those sections.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350b Water service for fire protection within district; special assessment; resolution.

Sec. 20b. In a township where there are lands serviced by a water system financed by revenue bonds issued under the revenue bond act of 1933, Act No. 94 of the Public Acts of 1933, being sections 141.101 to 141.140 of the Michigan Compiled Laws, or by bonds issued under the county public improvement act of 1939, Act No. 342 of the Public Acts of 1939, being sections 46.171 to 46.188 of the Michigan Compiled Laws; Act No. 185 of the Public Acts of 1957, being sections 123.731 to 123.786 of the Michigan Compiled Laws; or Act No. 233 of the Public Acts of 1955, being sections 124.281 to 124.294 of the Michigan Compiled Laws, having water service available for fire protection through fire hydrants and water mains, the township board may determine by resolution that the reasonable cost and value of the water service for fire protection within the district served by the water system shall be borne by a special assessment levied annually, while bonds are outstanding, against all of the real property located within the district, which shall constitute a special assessment district. A special assessment under this section shall not be levied against any property in 1 year in excess of 1/5 of 1% of the state equalized valuation of the property unless a special hearing is held.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350c Contents of resolution required by MCL 41.350b.

Sec. 20c. A resolution of the township board shall designate the boundaries of the special assessment district authorized by section 20b, estimate and determine the reasonable annual cost and value of the water service available for fire protection through fire hydrants and mains, and determine what portion of this annual fire protection cost should be paid for by special assessment because of benefits and what portion, if any, should be paid by the township out of general funds.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350d Annual fire protection cost; payment.

Sec. 20d. The township board may use unappropriated money in its general fund to pay for a portion of the annual fire protection cost described in section 20c, including money received under the provisions of

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sections 8 and 10 of article IX of the state constitution of 1963.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350e Fixing date for public hearing.

Sec. 20e. The township board shall fix a date for a public hearing upon the establishment of a special assessment district authorized by section 20b, the properties to be included in the district, the estimate of the reasonable cost and value of the fire protection afforded annually, and the assessments to be levied against the respective lots within the district.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350f Preparation and levy of assessment; report.

Sec. 20f. After fixing a date for a public hearing pursuant to section 20e, the township board shall direct that the assessment authorized by section 20b be prepared by the township supervisor, who shall levy the total sum estimated of fire protection benefit apportioned in accordance with benefits against all of the property located within the special assessment district benefited by the fire protection water service. The township supervisor shall then report the assessment to the township board. The report shall be made before the date of the hearing.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350g Making assessment on special assessment roll or on regular township tax roll; due date; collection; return for nonpayment.

Sec. 20g. The assessment authorized by section 20b may be made either on a special assessment roll or in a column provided for this purpose on the regular township tax roll. After the assessment has been confirmed, it shall become due and collected when other township taxes fall due and are collected and shall be returned for nonpayment in the same manner as other township taxes.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350h Conducting business at public meeting; notice.

Sec. 20h. The business that the township board performs pursuant to sections 20b to 20k shall be conducted at a public meeting held in compliance with the open meetings act, Act No. 267 of the Public Acts of 1976, being sections 15.261 to 15.275 of the Michigan Compiled Laws. The township board shall give public notice of a meeting and the time, date, place, and purpose of the meeting in the manner required by Act No. 267 of the Public Acts of 1976 and by publishing a notice in a newspaper of general circulation in the district proposed to be assessed. If a newspaper is not circulated in the district, then notice shall be posted in at least 3 of the most public and conspicuous places in the district.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350i Public hearing; objections; determination; equitable change.

Sec. 20i. The township board shall hold the public hearing required by section 20e and hear and consider all objections relative to the establishment of the special assessment district authorized by section 20b, the boundaries of the district, the properties to be included in the district, the total amount so proposed to be assessed, and the respective individual assessments so proposed on the individual properties of the district. After the hearing, the township board shall determine whether or not the district shall be established and the assessments levied. The township board may change the district authorized by section 20b or the special assessments of the district as it considers equitable in accordance with the fire protection benefits conferred.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350j Review, correction, and confirmation of assessment roll; collection.

Sec. 20j. If the township board approves the establishment of a special assessment district authorized by section 20b, it shall review, correct, and confirm the assessment roll and direct that it be collected immediately in the same manner as township taxes.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350k Annual determination of amount to be assessed; levy; additional hearings.

Sec. 20k. After the creation of a special assessment district authorized by section 20b and while bonds are still outstanding, the township board may annually determine the amount to be assessed in the district and then levy that amount of annual assessments as special assessments against the benefited properties within the district. Further hearings shall not be held unless a change in the amount of annual assessment against an individual property is contemplated or attempted.

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History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350*l* Contract with another township, city, or village for supplying water.

Sec. 20*l*. The township board of a township may contract with another township or a city or village for the supplying of water to the township for fire protection and domestic purposes under terms and conditions agreed upon between the township board and the legislative body of the other municipality.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350m Acquisition and installation of water supply facilities; borrowing money and issuing notes.

Sec. 20m. A township board may borrow money and issue notes for money necessary for acquisition and installation by the township of water supply facilities, including water mains and elevated water tanks, which are required of the township by the terms of a water supply contract authorized by section 20*l*.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989;—Am. 2002, Act 227, Imd. Eff. Apr. 29, 2002.

41.350n Provisions to which transaction authorized by MCL 41.350m subject.

Sec. 20n. A transaction authorized by section 20m is subject to the following provisions:

(a) A note shall be payable in annual installments the aggregate of which does not exceed 10 and the first of which is due not later than August 1 after the calendar year in which the note is issued. Subsequent maturity dates, if any, shall likewise be August 1. The note shall bear interest at a rate not exceeding 4% per year, payable semiannually, and may be made subject to redemption on an interest payment date before maturity at par plus accrued interest on terms and conditions provided in the authorizing resolution.

(b) The amount of a loan authorized by section 20m shall not, when payable, exceed the following percentage of the total aggregate revenues derived from sales tax money received by the township for the preceding 5 calendar years:

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(i)    For a loan payable in 10 installments.........  40%.
(ii)   For a loan payable in 9 installments..........  36%.
(iii)  For a loan payable in 8 installments..........  32%.
(iv)   For a loan payable in 7 installments..........  28%.
(v)    For a loan payable in 6 installments..........  24%.
(vi)   For a loan payable in 5 installments..........  20%.
(vii)  For a loan payable in 4 installments..........  16%.
(viii) For a loan payable in 3 installments..........  12%.
(ix)   For a loan payable in 2 installments..........   8%.
(x)    For a loan payable in 1 installment...........   4%.
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(c) The resolution authorizing the borrowing shall contain an irrevocable appropriation providing for the payment of the principal and interest from the money to be derived from state collected sales tax returned to the township. After the borrowing is authorized, the township treasurer shall set aside in a separate fund from the money received in each year an amount sufficient for the payment of the principal and interest of the loan maturing on August 1 of the next calendar year. The full faith and credit of the township shall not be pledged.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350o Notes issued under MCL 41.350m.

Sec. 20o. Notes issued under section 20m are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989;—Am. 2002, Act 227, Imd. Eff. Apr. 29, 2002.

41.350p Pledge of sales tax money by ordinance.

Sec. 20p. To secure repayment of a loan authorized by section 20m, the township board may pledge, by ordinance as provided in sections 20q to 20s, all or any specified portion of sales tax money to be received by the township under sections 8 and 10 of article IX of the state constitution of 1963 during the period the loan remains outstanding.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350q Withholding and paying lender constitutionally allocated money.

Sec. 20q. An ordinance pledging sales tax money pursuant to section 20p may provide that the official charged with disbursement of sales tax money returnable to the township pursuant to sections 8 and 10 of article IX of the state constitution of 1963 shall withhold and pay to the lending person, firm, corporation, bank, or trust company such of the constitutionally allocated money of the township as may be necessary to

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fulfill the pledge.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350r Exercise of powers by ordinance; procedure.

Sec. 20r. By the affirmative vote of 2/3 of its members, the township board may adopt an ordinance relating to the exercise of the powers granted in sections 20*l* to 20t and to any other matter necessary or desirable to effectuate the full intent and purpose of sections 20 *l* to 20t, including provisions for control and maintenance of a water supply facility, charges for rights of connection with a facility for water service, charges for water delivered by means of a facility, and other provisions to ensure the proper and adequate operation of a facility. An ordinance adopted pursuant to this section becomes effective at the expiration of 30 days after the date of its publication unless a referendum is required as provided in section 20s. An ordinance adopted pursuant to this section shall be recorded in the minutes of the meeting of the township board as soon as practicable after its adoption. The record shall be authenticated by the signatures of the supervisor and clerk of the township. The ordinance shall be published promptly after its adoption in a newspaper of general circulation within the township. The ordinance may be so published as a part of the minutes of the meeting at which it was adopted. Except as otherwise provided in sections 20*l* to 20t, the provisions of this section are the sole requirements concerning the adoption and publication of the ordinance and are not limited by other statutory provisions.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350s Effective date of ordinance authorized by MCL 41.350r; petition; election.

Sec. 20s. If, within 30 days after the date of publication of an ordinance authorized by section 20r, a petition signed by not less than 10% of the registered electors residing within the limits of the township is filed with the township clerk requesting a referendum upon the effectiveness of the ordinance, then the ordinance does not become effective until approved by vote of a majority of the electors of the township qualified to vote and voting on the ordinance at an election. Signatures on the petition shall be verified by some person or persons under oath as the actual signatures of persons whose names are signed, and the township clerk shall have the same power to reject signatures and petitions as city clerks possess by law. The number of registered electors in the township shall be determined by the township clerk from the township registration books.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350t Powers cumulative.

Sec. 20t. The powers granted to townships in sections 20*l* to 20s are granted in addition to those granted by other statutes.

History: Add. 1989, Act 83, Imd. Eff. June 20, 1989.

41.350u Violation of MCL 168.1 to 168.992 applicable to petitions; penalties.

Sec. 20u. A petition under section 20s, including the circulation and signing of the petition, is subject to section 488 of the Michigan election law, 1954 PA 116, MCL 168.488. A person who violates a provision of the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992, applicable to a petition described in this section is subject to the penalties prescribed for that violation in the Michigan election law, 1954 PA 116, MCL 168.1 to 168.992.

History: Add. 1998, Act 195, Eff. Mar. 23, 1999.

41.351z Repealed. 1989, Act 83, Imd. Eff. June 20, 1989.

Compiler's note: Sec. 21, as added by Act 201 of 1951, was assigned the compilation number “41.a351” rather than “41.351” to avoid a conflict with another section previously numbered “41.351”. Subsequent to its repeal, Sec. 21 was assigned compilation number 41.350z.

The repealed section pertained to powers conferred by act.

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