

# HOUSE BILL No. 5343

September 10, 2009, Introduced by Reps. Meltzer, Denby, Bolger, Tyler, Lund, DeShazor, Daley, Stamas, Hansen, Crawford, McMillin, Wayne Schmidt, Paul Scott, Ball, Marleau, Walsh, Knollenberg, Meekhof and Kowall and referred to the Committee on Appropriations.

A bill to amend 1947 PA 359, entitled  
"The charter township act,"  
by amending section 14a (MCL 42.14a), as amended by 2002 PA 230.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 14a. (1) The township may borrow money and issue bonds on  
2 the credit of the township for the purpose of constructing or  
3 otherwise acquiring a public improvement that the township is  
4 authorized to construct or otherwise acquire by law.

5           (2) Bonds shall not be issued, except special assessment  
6 bonds, bonds for the township portion of local improvements, and  
7 bonds that the township board is authorized by specific statute to  
8 issue without vote of the electors, unless approved by a majority

1 of the electors voting on the bonds at a general or special  
2 election.

3 (3) The net indebtedness of the township incurred for all  
4 public purposes shall not exceed 10% of the assessed value of all  
5 real and personal property in the township. In computing the net  
6 indebtedness all of the following shall be deducted:

7 (a) Bonds issued in anticipation of the collection of special  
8 assessments, even though they are general obligations of the  
9 township.

10 (b) Revenue bonds, even though they are general obligations of  
11 the township.

12 (c) Bonds issued to comply with an order of the former water  
13 resources commission, the **FORMER** department of environmental  
14 quality, **THE DEPARTMENT OF NATURAL RESOURCES**, or a court of  
15 competent jurisdiction, even though they are a general obligation  
16 of the township.

17 (d) Bonds issued, or contract or assessment obligations  
18 incurred, for water supply, sewerage, drainage, solid waste  
19 disposal, and steam generation and distribution necessary to  
20 protect the public health by abating pollution, even though they  
21 are a general obligation of the township.

22 (e) Bonds issued or contract or assessment obligations  
23 incurred for the construction, improvement, or replacement of a  
24 combined sewer overflow abatement facility. As used in this  
25 subdivision:

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

1 sewer system is exceeded.

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

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

11 (iv) "Construction" means any action taken in the designing or  
12 building of a combined sewer overflow abatement facility.

13 Construction includes, but is not limited to, all of the following:

14 (A) Engineering services.

15 (B) Legal services.

16 (C) Financial services.

17 (D) Design of plans and specifications.

18 (E) Acquisition of land or structural components, or both.

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

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

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

26 (vi) "Replacement" means any action taken to obtain and install  
27 equipment, accessories, or appurtenances during the useful life of

1 a combined sewer overflow abatement facility necessary to maintain  
2 the capacity and performance for which the equipment, accessories,  
3 or appurtenances are designed and constructed.

4 (4) The resources of the sinking fund or debt retirement fund  
5 pledged for retirement of outstanding bonds shall also be deducted  
6 from the amount of the indebtedness.

7 (5) Bonds are issued subject to the revised municipal finance  
8 act, 2001 PA 34, MCL 141.2101 to 141.2821.

9 Enacting section 1. This amendatory act does not take effect  
10 unless Senate Bill No. 807 or House Bill No. \_\_\_\_ (request no.  
11 04046'09) of the 95th Legislature is enacted into law.