

# HOUSE BILL No. 5765

September 9, 2014, Introduced by Rep. Yanez and referred to the Committee on Local Government.

A bill to amend 1923 PA 116, entitled "Township and village public improvement and public service act," by amending section 3a (MCL 41.413a), as amended by 1998 PA 159.

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

1           Sec. 3a. (1) A waterworks established under sections 1 to 5  
2 and any other service provided under sections 1 to 5 for a district  
3 having a waterworks may be under the control of and operated by a  
4 board of public service commissioners, except that in a village  
5 such an improvement or service shall be under the control of and  
6 operated by the legislative body of the village. The board of  
7 public service commissioners shall consist of 5 commissioners  
8 elected at the annual township election by the qualified electors

1 residing in the district. A vacancy on the board of public service  
2 commissioners shall be filled by the remaining members of the board  
3 until the next annual township election, at which election the  
4 vacancy shall be filled for the unexpired term. A member of the  
5 board of public service commissioners shall be a resident of the  
6 district. ~~As used in this section, "annual township election" means~~  
7 ~~an election held on the first Tuesday after the first Monday in~~  
8 ~~November every year.~~

9 (2) The township clerk shall call a special township election,  
10 upon the filing with the clerk of a petition signed by 25  
11 registered electors of the district, for the election of the  
12 members of the board of public service commissioners to hold office  
13 until the first annual township election. At the first annual  
14 township election held under this section, 2 commissioners shall be  
15 elected for a term of 3 years, 2 commissioners shall be elected for  
16 a term of 2 years, and 1 commissioner shall be elected for a term  
17 of 1 year. After the first annual township election, a commissioner  
18 shall be elected for a term of 3 years. The commission may hire  
19 necessary employees to carry out the purpose of sections 1 to 5.  
20 ~~The provisions of this~~ **THIS** section ~~do~~ **DOES** not apply to a  
21 waterworks facility constituting only a part of a general township  
22 water system. A petition under this subsection, including the  
23 circulation and signing of the petition, is subject to section 488  
24 of the Michigan election law, 1954 PA 116, MCL 168.488. A person  
25 who violates a provision of the Michigan election law, 1954 PA 116,  
26 MCL 168.1 to 168.992, applicable to a petition described in this  
27 subsection is subject to the penalties prescribed for that

1 violation in the Michigan election law, 1954 PA 116, MCL 168.1 to  
2 168.992.

3 (3) A board of public service commissioners may dissolve  
4 itself, alone or together with the district, upon satisfaction of  
5 all of the following requirements:

6 (a) The board of public service commissioners shall prepare a  
7 financial report of the assets and liabilities of the district. The  
8 financial report shall include a description of obligations of the  
9 district, an accounting of money held by the district, an appraisal  
10 or inventory of other assets of the district, and a description of  
11 any encumbrances on assets of the district. The board of public  
12 service commissioners shall file a copy of the financial report  
13 with the township clerk of the township where the district is  
14 located.

15 (b) The board of public service commissioners shall hold a  
16 public hearing on the issue of the dissolution. ~~In~~**BEFORE JANUARY**  
17 **1, 2015, IN** addition to satisfying the requirements of the open  
18 meetings act, 1976 PA 267, MCL 15.261 to 15.275, the board of  
19 public service commissioners shall publish notice of the hearing in  
20 a newspaper of general circulation in the township where the  
21 district is located not less than 10 days before the hearing.

22 **BEGINNING JANUARY 1, 2015, IN ADDITION TO SATISFYING THE**  
23 **REQUIREMENTS OF THE OPEN MEETINGS ACT, 1976 PA 267, MCL 15.261 TO**  
24 **15.275, THE BOARD OF PUBLIC SERVICE COMMISSIONERS SHALL, NOT LESS**  
25 **THAN 10 DAYS BEFORE THE PUBLIC HEARING, PROVIDE TIER C PUBLIC**  
26 **NOTICE OF THE PUBLIC HEARING ON THE ISSUE OF DISSOLUTION AS SET**  
27 **FORTH IN THE LOCAL GOVERNMENT PUBLIC NOTICE ACT.** The notice shall

1 give the time, date, location, and purpose of the hearing and state  
2 that a copy of the financial report is available for public  
3 inspection at the office of the township clerk.

4 (c) After the hearing, the board of public service  
5 commissioners shall prepare a plan for the transfer of the assets  
6 and liabilities of the district to the township where the district  
7 is located. The plan shall not impair the rights of holders of  
8 special assessment bonds issued ~~pursuant to~~ **UNDER** section 3 or the  
9 rights of property owners served by the waterworks.

10 (d) The township board of the township where the district is  
11 located shall adopt a resolution agreeing to the dissolution of the  
12 board of public service commissioners, alone or together with the  
13 district, in accordance with the plan under subdivision (c).

14 (e) After the township board adopts a resolution under  
15 subdivision (d), the board of public service commissioners shall  
16 adopt a consistent resolution to dissolve itself, alone or together  
17 with the district, in accordance with the plan under subdivision  
18 (c).

19 (4) As its last act before the effective date of dissolution,  
20 a board of public service commissioners shall file its records with  
21 the clerk of the township where the district is located ~~—~~for  
22 safekeeping and reference.

23 **(5) AS USED IN THIS SECTION, "ANNUAL TOWNSHIP ELECTION" MEANS**  
24 **AN ELECTION HELD ON THE FIRST TUESDAY AFTER THE FIRST MONDAY IN**  
25 **NOVEMBER EVERY YEAR.**

26 Enacting section 1. This amendatory act does not take effect  
27 unless Senate Bill No. \_\_\_\_ or House Bill No. 5560 (request no.

1 03796'13) of the 97th Legislature is enacted into law.