GIFTS OF PROPERTY

Act 380 of 1913

AN ACT to regulate gifts of real and personal property to cities, villages, townships, and counties, and the use of those gifts and other funds; and to validate all gifts made before the enactment of this act.

History: 1913, Act 380, Eff. Aug. 14, 1913 ;-- Am. 1985, Act 9, Imd. Eff. Apr. 15, 1985 ;-- Am. 2003, Act 122, Imd. Eff. July 29, 2003

The People of the State of Michigan enact:

123.871 Repealed. 2017, Act 38, Eff. Aug. 21, 2017.

Compiler's Notes: The repealed section pertained to gift of real or personal property to city, village, township, or county.

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123.872 Loan or grant to assist businesses or for public purposes; assignment of right to repayment; loan revenue bonds; agreement with federal government or agency.

Sec. 2.

(1) To provide a means and method to encourage and assist businesses in locating and expanding in this state, and if not prohibited by the terms of the grant or loan, a city, village, township, or county may receive and use a federal, state, or local grant or a loan from a federal agency as part of an intermediary relending program or the proceeds of a federal, state, or local grant or the proceeds of a loan from a federal agency as part of an intermediary relending program to make a secured or unsecured loan or to make a grant to a private person, to a corporation or other business association, to a city, village, township, or county, or to an instrumentality of a city, village, township, or county. A county may grant or loan funds to a township, village, or city located within that county for the purpose of encouraging and assisting businesses to locate and expand within the county. A grant or loan under this subsection shall not be derived from ad valorem taxes except for ad valorem taxes approved by a vote of the people for economic development. The county shall establish an application process for proposals to receive a grant or loan under this subsection. The awarding of a grant or loan under this subsection shall be made at a public hearing of the county board of commissioners. The grant or loan contract made by a county shall require a report to the county board of commissioners regarding the activities of the recipient and the degree to which the recipient has met the stated public purpose of the funding.

(2) A loan or grant made under subsection (1) may be used for local public improvements or to encourage and assist businesses in locating or expanding in this state, to preserve jobs in this state, to encourage investment in the communities in this state, or for other public purposes.

(3) The right to repayment of a loan made under subsection (1) may be assigned by a city, village, township, or county to an entity, agency, or authority created pursuant to law, or to a private corporation or association created to make and administer loans made under subsection (1).

(4) A city, village, township, or county may receive loans under subsection (1) and issue loan revenue bonds or notes secured by the repayment of loans made under subsection (1). For the purposes specified in subsection (2), bonds or notes issued pursuant to this section shall be approved by the department of treasury before their issuance, but shall not otherwise be subject to the provisions of the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. In determining whether the issuance of the bonds or notes shall be approved, the department of treasury shall take into consideration the following:

(a) Whether the bonds or notes conform to the provisions of law.

(b) Whether the probable revenue and properties pledged for payment of the bonds or notes will be sufficient to pay the principal of and interest on the bonds or notes when due.

(c) Whether the amount of the proposed issue is sufficient or excessive for the purpose for which the bonds or notes are to be issued.

(5) The loan revenue bonds or notes shall not be general obligations of the city, village, township, or county issuing the loan revenue bonds or notes. The loan revenue bonds or notes are declared to be issued for an essential public and governmental purpose, and, together with interest on those bonds or notes and income from those bonds or notes, shall be exempted from all taxes.

(6) A city, village, township, or county receiving a federal loan from a federal agency as part of an intermediary relending program may enter into an agreement with the federal government or an agency of the federal government respecting the repayment of principal and interest on the federal loan.

History: Add. 1985, Act 9, Imd. Eff. Apr. 15, 1985 ;-- Am. 2003, Act 122, Imd. Eff. July 29, 2003 ;-- Am. 2009, Act 108, Imd. Eff. Oct. 1, 2009

123.873 Repealed. 2002, Act 555, Imd. Eff. July 26, 2002.

Compiler's Notes: The repealed section pertained to commingling prohibited.

123.874 Repealed. 2017, Act 38, Eff. Aug. 21, 2017.

Compiler's Notes: The repealed section pertained to transfer of gift to community foundation.

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