BORROWING FOR ROAD PURPOSES

Act 143 of 1943

AN ACT to empower boards of county road commissioners to borrow money in anticipation and upon the faith and credit of future receipts of revenues, derived from certain state collected taxes, for the purpose of purchasing road machinery or equipment or for improvement of county highways or for general county road purposes.

History: 1943, Act 143, Eff. July 30, 1943 ;-- Am. 1951, Act 227, Eff. Sept. 28, 1951

The People of the State of Michigan enact:

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141.251 Borrowing money and issuing notes for county road purposes; resolution.

Sec. 1.

Boards of county road commissioners are authorized and empowered, upon the adoption of a resolution, to borrow money, the sum of which shall not exceed the amount previously authorized by their respective county board of commissioners, in anticipation of and to pledge for the payment of the borrowed money, future revenues derived from state collected taxes returned to the county for county road purposes pursuant to law and to issue notes for the purpose of purchasing road machinery or equipment, for improvement of county highways, or for other general county road purposes.

(2) Notes issued under this act are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

History: 1943, Act 143, Eff. July 30, 1943 ;-- CL 1948, 141.251 ;-- Am. 1951, Act 227, Eff. Sept. 28, 1951 ;-- Am. 1983, Act 51, Imd. Eff. May 16, 1983 ;-- Am. 2002, Act 194, Imd. Eff. Apr. 29, 2002
Compiler's Notes: Sec. 1. should evidently read “Sec. 1. (1).”

141.252 Notes; issuance; provisions.

Sec. 2.

All notes issued under this act are subject to all of the following provisions:

(a) For the purpose of computing the amount that may be borrowed, a loan made under this act shall not, when payable as provided in this section, exceed that percentage of the total aggregate revenues derived from state collected taxes returned to a county for county road purposes pursuant to law for the 5 immediately succeeding years:

(i) In 10 installments, 40%.
(ii) In 9 installments, 36%.
(iii) In 8 installments, 32%.
(iv) In 7 installments, 28%.
(v) In 6 installments, 24%.
(vi) In 5 installments, 20%.
(vii) In 4 installments, 16%.
(viii) In 3 installments, 12%.
(ix) In 2 installments, 8%.
(x) In 1 installment, 4%.

(b) A loan payable in more than 2 installments shall not be authorized for any purpose other than for the construction, improvement, maintenance, or repair of highways. At no time shall the total loans outstanding under this act exceed 40% of the sum of the revenues derived from state collected taxes returned to the county for county road purposes for the immediately preceding 5 calendar years and not specifically allocated for other purposes.

(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 taxes returned to the county for county road purposes pursuant to law that have not been previously specifically allocated for other purposes.

History: 1943, Act 143, Eff. July 30, 1943 ;-- CL 1948, 141.252 ;-- Am. 1951, Act 227, Eff. Sept. 28, 1951 ;-- Am. 1973, Act 65, Imd. Eff. July 23, 1973 ;-- Am. 2002, Act 194, Imd. Eff. Apr. 29, 2002

141.253 Repealed. 2002, Act 194, Imd. Eff. Apr. 29, 2002.

Compiler's Notes: The repealed section pertained to approval or denial by municipal finance commission or successor agency of borrowing and issuing of notes.

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141.254 Saving clause; pledging allocated revenues prohibited.

Sec. 4.

Should any provision or section of this act be held to be invalid for any reason, such holding shall not be construed as affecting the validity of any remaining portion of such section or of this act, it being the legislative intent that this act shall stand, notwithstanding the invalidity of any such provisions or section. Nothing in this act contained shall be construed as permitting any board of county road commissioners to pledge future revenues derived from state collected taxes returned to such county for county road purposes which are by law required to be allocated to (1) any city or village, (2) the relief of assessment districts established under provisions of Act No. 59 of the Public Acts of 1915, as amended, or (3) the reduction of taxes for the payment of bonds.

History: 1943, Act 143, Eff. July 30, 1943 ;-- CL 1948, 141.254 ;-- Am. 1951, Act 227, Eff. Sept. 28, 1951

Compiler's Notes: Act 59 of 1915, referred to in this section, was repealed by Act 77 of 1958.