

BONDS OR NOTES FOR CAPITAL IMPROVEMENTS (EXCERPT)
Act 121 of 1969

141.381 Issuance of bonds and notes; resolution; purpose; pledges; use of proceeds; debt limitation; general obligations.

Sec. 1.

Any county, city, township or village, by resolution adopted by a majority vote of the members elect of its legislative body may authorize the issuance of bonds or notes of the county, city, township or village for the purpose of raising funds to be used for capital improvements and pledge as security for the payment of the principal and interest on the bonds or notes part or all of the deferred income from the sale of its capital assets. Moneys realized from issuance of bonds or notes secured by pledge of the deferred income from sale of capital assets shall be used solely for capital improvements. The county, city, township or village may also pledge its full faith and credit for the prompt payment of principal and interest on any bonds or notes issued pursuant to this act. In no case may the county, city, township or village involved borrow in excess of 80% of the face value of the assets pledged. The bonds or notes shall be valid and binding general obligations of the county, city, township or village notwithstanding any invalidity or illegality in the contract of sale of capital assets pledged for payment thereof.

History: 1969, Act 121, Imd. Eff. July 29, 1969