

HOUSE BILL No. 5010

July 27, 1989, Introduced by Reps. DeMars, Stallworth, Willis Bullard, Jacobetti, Bartnik, Varga, Clack, Hoffman, Gubow, Sofio, Palamara, Wallace, Joe Young, Sr., Joe Young, Jr., Kosteva, Gire, Hood, Kilpatrick, Murphy, Hickner, Stabenow, Jondahl, Bennane, Jonker, Bandstra, Giese, Pitoniak, Berman, Scott, Barns, Griffin, Porreca, Alley, Middaugh, Ciaramitaro, Mathieu, Martin, Allen, Stopczynski, Bennett, Krause, Rocca, Leland, Maynard, DeBeaussaert, Hertel, Hunter, Webb, Gagliardi, Oxender, Johnson, Fitzgerald, Randall, Camp, Bankes and Stupak and referred to the Committee on Public Utilities.

A bill to amend section 5f of Act No. 279 of the Public Acts of 1909, entitled as amended

"An act to provide for the incorporation of cities and for revising and amending their charters; to provide for certain powers and duties; to provide for the levy and collection of taxes by cities, borrowing of money, and issuance of bonds or other evidences of indebtedness; to validate actions taken, bonds issued, and obligations heretofore incurred; and to repeal certain acts and parts of acts on specific dates,"

as added by Act No. 401 of the Public Acts of 1984, being section 117.5f of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 5f of Act No. 279 of the Public Acts of
2 1909, as added by Act No. 401 of the Public Acts of 1984, being
3 section 117.5f of the Michigan Compiled Laws, is amended to read
4 as follows:

5 Sec. 5f. (1) The legislative body of a city may provide by
6 resolution for energy conservation improvements to be made to

1 city facilities and may pay for the improvements from the general
2 fund of the city or from the savings which result from the energy
3 conservation improvements. Energy conservation improvements may
4 include, but are not limited to, heating system improvements,
5 fenestration improvements, roof improvements, the installation of
6 any insulation, the installation or repair of heating or air con-
7 ditioning controls, and entrance or exit way closures.

8 (2) The legislative body of a city may acquire 1 or more of
9 the energy conservation improvements described in subsection (1)
10 by installment contract or may borrow money and issue notes for
11 the purpose of securing funds for the improvements or may enter
12 into contracts in which the cost of the energy conservation
13 improvements is paid from a portion of the savings which result
14 from the energy conservation improvements. These contractual
15 agreements may provide that the cost of the energy conservation
16 improvements are paid only if the energy savings are sufficient
17 to cover their cost. An installment contract or notes issued
18 pursuant to this subsection shall extend for a period of time not
19 to exceed 10 years. Notes issued pursuant to this subsection
20 shall be full faith and credit, tax limited obligations of the
21 city, payable from tax levies and the general fund as pledged by
22 the legislative body of the city. The notes shall be subject to
23 the municipal finance act, Act No. 202 of the Public Acts of
24 1943, being sections 131.1 to 139.3 of the Michigan Compiled
25 Laws. The notes shall bear interest at a rate determined by the
26 legislative body of the city, not to exceed the rate provided in
27 section 1a of chapter III of the municipal finance act, Act No.

1 202 of the Public Acts of 1943, being section 133.1a of the
2 Michigan Compiled Laws. This subsection does not limit in any
3 manner the borrowing or bonding authority of a city as provided
4 by law.

5 (3) If energy conservation improvements are made as provided
6 in this section, the legislative body of a city shall report the
7 following information to the ~~energy administration of the~~
8 ~~department of commerce~~ MICHIGAN PUBLIC SERVICE COMMISSION within
9 60 days of the completion of the improvements:

10 (a) Name of each facility to which an improvement is made
11 and a description of the conservation improvement.

12 (b) Actual energy consumption during the 12-month period
13 before completion of the improvement.

14 (c) Project costs and expenditures.

15 (d) Estimated annual energy savings.

16 (4) If energy conservation improvements are made as provided
17 in this section, the legislative body of a city shall report to
18 the ~~energy administration of the department of commerce~~
19 MICHIGAN PUBLIC SERVICE COMMISSION, by July 1 of each of the
20 5 years after the improvements are completed, only the actual
21 annual energy consumption of each facility to which improvements
22 are made. The forms for the reports required by this section
23 shall be furnished by the ~~energy administration~~ MICHIGAN PUBLIC
24 SERVICE COMMISSION.