

Act No. 125
Public Acts of 1996
Approved by the Governor
March 12, 1996
Filed with the Secretary of State
March 13, 1996

**STATE OF MICHIGAN
88TH LEGISLATURE
REGULAR SESSION OF 1996**

Introduced by Senator Shugars

ENROLLED SENATE BILL No. 455

AN ACT to amend section 4 of Act No. 175 of the Public Acts of 1952, entitled as amended "An act to authorize incorporated cities and villages to borrow money and issue bonds in anticipation of future payments from the motor vehicle highway fund, for any purpose or purposes for which said funds may be used and for the purpose of refunding such bonds; authorizing the pledging of the faith and credit of the issuing city or village, upon proper resolution of its governing body, as additional security for the payment of said bonds; and to prescribe procedures and conditions relative to the issuance of such bonds," being section 247.704 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Section 4 of Act No. 175 of the Public Acts of 1952, being section 247.704 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 4. A city or village shall not pledge, for annual debt service requirements, in excess of 50% of the revenues received, during the fiscal year next preceding any borrowings, from the motor vehicle highway fund pursuant to Act No. 51 of the Public Acts of 1951, being sections 247.651 to 247.675 of the Michigan Compiled Laws. This act does not prohibit successive borrowings if the total amount of revenues pledged for annual debt service requirements does not exceed 50% and if the total aggregate amount of borrowing does not exceed an amount which 50% of the revenues will service as to annual principal and interest requirements.

This act is ordered to take immediate effect.

Secretary of the Senate.

Clerk of the House of Representatives.

Approved _____

Governor.