

SENATE BILL NO. 821

January 19, 2022, Introduced by Senators SCHMIDT, ZORN, POLEHANKI, DALEY and MOSS
and referred to the Committee on Local Government.

A bill to amend 1988 PA 57, entitled

"An act to provide for the incorporation by 2 or more municipalities of certain authorities for the purpose of providing emergency services to municipalities; to provide for the powers and duties of authorities and of certain state and local agencies and officers; to provide for certain condemnation proceedings; to provide for fees; to provide for the levy of property taxes for certain purposes; and to prescribe penalties and provide remedies,"

by amending the title and section 9 (MCL 124.609), the title as amended by 2011 PA 261 and section 9 as amended by 2006 PA 652, and

by adding section 9a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE

2 An act to provide for the incorporation by 2 or more
3 municipalities of certain authorities for the purpose of providing
4 emergency services to municipalities; to provide for the powers and
5 duties of authorities and of certain state and local agencies and
6 officers; to provide for certain condemnation proceedings; to
7 provide for fees; to provide for the levy of property taxes for
8 certain purposes; **to authorize the issuance of bonds, notes, and**
9 **other evidences of indebtedness;** and to prescribe penalties and
10 provide remedies.

11 Sec. 9. An authority, in addition to its other powers and
12 duties, may do all of the following:

13 (a) Adopt bylaws and rules of administration to accomplish the
14 purposes of this act.

15 (b) Adopt ordinances that allow the authority to assess fees
16 on owners or occupants of property who receive emergency services
17 to cover the costs of providing emergency services under this act.
18 An ordinance adopted under this subdivision ~~shall~~**must** be rescinded
19 if, within 60 days ~~from~~**after** the date the ordinance is adopted,
20 1/3 or more of the municipalities affected by the ordinance vote to
21 rescind the ordinance.

22 (c) Apply for and accept grants, loans, or contributions from
23 the federal government or any of its agencies, ~~the~~**this** state, or
24 other public or private agencies to be used for any of the purposes
25 of this act and to do any and all things within its express or
26 implied powers necessary or desirable to secure that financial or
27 other aid or cooperation in the carrying out of any of the purposes

1 of this act.

2 (d) Enter into any contracts with other entities not
3 prohibited by law.

4 (e) Investigate emergency services requirements, needs, and
5 programs and engage, by contract, consultants as ~~may be~~**are**
6 necessary and cooperate with the federal government, state,
7 political subdivisions, and other authorities in those
8 investigations.

9 (f) Subject to section 10, hire employees, attorneys,
10 accountants, and consultants as the authority considers necessary
11 to carry out the purposes of the authority.

12 (g) Enter into a contract or agreement for the purchase of
13 real or personal property for public purposes, to be paid for in
14 installments over a period not to exceed 15 years or the useful
15 life of the property acquired, whichever is less. Real or personal
16 property purchased under this act may serve as collateral in
17 support of the purchase, contract, or agreement.

18 Sec. 9a. (1) An authority may borrow money and issue its
19 negotiable bonds or notes to finance any of the following for
20 authority purposes:

21 (a) The acquisition, construction, and furnishing of buildings
22 or facilities or portions of buildings or facilities.

23 (b) The acquisition of necessary property.

24 (c) The acquisition and installation of necessary equipment.

25 (2) An authority may issue general obligation unlimited tax
26 bonds upon approval of a majority of the electors in the
27 jurisdictional limits of the authority voting on the question of
28 issuing the bonds. The proposal to issue general obligation
29 unlimited tax bonds must be submitted to a vote of the electors of

1 the authority by resolution of the board of the authority. The
2 resolution must contain the language of the ballot proposal.

3 (3) The election for a bond proposal described in subsection
4 (2) must be conducted and canvassed in the same manner as an
5 election on a millage proposal as described in section 12 and in
6 accordance with the Michigan election law, 1954 PA 116, MCL 168.1
7 to 168.992. The results of the election must be certified to the
8 governing body of the authority promptly after the date of the
9 election. Not more than 1 election may be held in the
10 jurisdictional limits of an authority in a calendar year for
11 approval of a bond issue authorized under subsection (2).

12 (4) If an authority issues general obligation unlimited tax
13 bonds under subsection (2), the board, by resolution, shall
14 authorize and levy the taxes necessary to pay the principal of and
15 interest on the bonds.

16 (5) An authority may issue limited tax bonds or notes by
17 resolution of the board without submitting the question to the
18 electors in the jurisdictional limits of the authority.

19 (6) Bonds or notes issued by an authority are a debt of the
20 authority and not of the incorporating municipalities. If an
21 incorporating municipality withdraws from an authority, taxes
22 imposed or levied for payment of bonds approved as provided in this
23 act before the adoption of the resolution to withdraw must continue
24 to be levied within the district as if the municipality did not
25 withdraw from the authority until the principal of and interest on
26 those bonds are paid in full.

27 (7) An authority shall not borrow money or issue bonds or
28 notes for a sum that, together with the total outstanding bonded
29 indebtedness of the authority, exceeds 5% of the state equalized

1 valuation of the taxable property within the jurisdictional limits
2 of the authority.

3 (8) All bonds or notes issued by an authority under this act
4 are subject to the revised municipal finance act, 2001 PA 34, MCL
5 141.2101 to 141.2821.