

SUBSTITUTE FOR
HOUSE BILL NO. 5164

A bill to amend 1923 PA 116, entitled
"Township and village public improvement and public service act,"
by amending the title and section 3a (MCL 41.413a), the title as
amended by 1989 PA 82 and section 3a as amended by 1992 PA 177.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE

2 An act to authorize certain township or village public
3 improvements and services; TO PRESCRIBE PENALTIES AND PROVIDE
4 REMEDIES; and to repeal ~~certain~~ acts and parts of acts.

5 Sec. 3a. (1) A waterworks established under sections 1 to 5
6 and any other service provided under sections 1 to 5 for a dis-
7 trict having a waterworks may be under the control of and oper-
8 ated by a board of public service commissioners, except that in a
9 village such an improvement or service shall be under the control

1 of and operated by the legislative body of the village. The
2 board of public service commissioners shall consist of 5 commis-
3 sioners elected at the annual township election by the qualified
4 electors residing in the district. A vacancy on the board of
5 public service commissioners shall be filled by the remaining
6 members of the board until the next annual township election, at
7 which election the vacancy shall be filled for the unexpired
8 term. A member of the board of public service commissioners
9 shall be a resident of the district. As used in this section,
10 "annual township election" means an election held on the first
11 Tuesday after the first Monday in November every year.

12 (2) The township clerk shall call a special township elec-
13 tion, upon the filing with the clerk of a petition signed by 25
14 ~~residents~~ REGISTERED ELECTORS of the district, for the election
15 of the members of the board of public service commissioners to
16 hold office until the first annual township election. At the
17 first annual township election held under this section, 2 commis-
18 sioners shall be elected for a term of 3 years, 2 commissioners
19 shall be elected for a term of 2 years, and 1 commissioner shall
20 be elected for a term of 1 year. After the first annual township
21 election, a commissioner shall be elected for a term of 3 years.
22 The commission may hire necessary employees to carry out the pur-
23 pose of sections 1 to 5. The provisions of this section do not
24 apply to a waterworks facility constituting only a part of a gen-
25 eral township water system. A PETITION UNDER THIS SUBSECTION,
26 INCLUDING THE CIRCULATION AND SIGNING OF THE PETITION, IS SUBJECT
27 TO SECTION 488 OF THE MICHIGAN ELECTION LAW, 1954 PA 116, MCL

1 168.488. A PERSON WHO VIOLATES A PROVISION OF THE MICHIGAN
2 ELECTION LAW, 1954 PA 116, MCL 168.1 TO 168.992, APPLICABLE TO A
3 PETITION DESCRIBED IN THIS SUBSECTION IS SUBJECT TO THE PENALTIES
4 PRESCRIBED FOR THAT VIOLATION IN THE MICHIGAN ELECTION LAW, 1954
5 PA 116, MCL 168.1 TO 168.992.

6 (3) A board of public service commissioners may dissolve
7 itself, alone or together with the district, upon satisfaction of
8 all of the following requirements:

9 (a) The board of public service commissioners shall prepare
10 a financial report of the assets and liabilities of the
11 district. The financial report shall include a description of
12 obligations of the district, an accounting of money held by the
13 district, an appraisal or inventory of other assets of the dis-
14 trict, and a description of any encumbrances on assets of the
15 district. The board of public service commissioners shall file a
16 copy of the financial report with the township clerk of the town-
17 ship where the district is located.

18 (b) The board of public service commissioners shall hold a
19 public hearing on the issue of the dissolution. In addition to
20 satisfying the requirements of the open meetings act, ~~Act~~
21 ~~No. 267 of the Public Acts of 1976, being sections 15.261 to~~
22 ~~15.275 of the Michigan Compiled Laws~~ 1976 PA 267, MCL 15.261 TO
23 15.275, the board of public service commissioners shall publish
24 notice of the hearing in a newspaper of general circulation in
25 the township where the district is located not less than 10 days
26 before the hearing. The notice shall give the time, date,
27 location, and purpose of the hearing and state that a copy of the

1 financial report is available for public inspection at the office
2 of the township clerk.

3 (c) After the hearing, the board of public service commis-
4 sioners shall prepare a plan for the transfer of the assets and
5 liabilities of the district to the township where the district is
6 located. The plan shall not impair the rights of holders of spe-
7 cial assessment bonds issued pursuant to section 3 or the rights
8 of property owners served by the waterworks.

9 (d) The township board of the township where the district is
10 located shall adopt a resolution agreeing to the dissolution of
11 the board of public service commissioners, alone or together with
12 the district, in accordance with the plan under subdivision (c).

13 (e) After the township board adopts a resolution under
14 subdivision (d), the board of public service commissioners shall
15 adopt a consistent resolution to dissolve itself, alone or
16 together with the district, in accordance with the plan under
17 subdivision (c).

18 (4) As its last act before the effective date of dissolu-
19 tion, a board of public service commissioners shall file its
20 records with the clerk of the township where the district is
21 located, for safekeeping and reference.

22 Enacting section 1. This amendatory act does not take
23 effect unless House Bill No. 5138 of the 89th Legislature is
24 enacted into law.