

Act No. 231
Public Acts of 2002
Approved by the Governor
April 27, 2002
Filed with the Secretary of State
April 29, 2002
EFFECTIVE DATE: April 29, 2002

**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Senator North

ENROLLED SENATE BILL No. 855

AN ACT to amend 1895 PA 215, entitled "An act to provide for the incorporation of cities of the fourth class; to provide for the vacation of the incorporation thereof; to define the powers and duties of such cities and the powers and duties of the municipal finance commission or its successor agency and of the department of treasury with regard thereto; to provide for the levy and collection of taxes, borrowing of money, and issuance of bonds and other evidences of indebtedness by cities; to define the application of this act and provide for its amendment by cities subject thereto; to validate such prior amendments and certain prior actions taken and bonds issued by such cities; and to prescribe penalties and provide remedies," by amending sections 10 and 25 (MCL 107.10 and 110.25), section 10 as amended by 1983 PA 45.

The People of the State of Michigan enact:

Sec. 10. Repairs, alterations, and extensions may also be provided by the city council by contract for the making and installation of repairs, alterations, and extensions, which contract shall not impose a general obligation on the city, but which may provide for payment out of the net revenues, after payment of obligations due, provision for payment of obligations to become due, and payment of legitimate and necessary operating and other expenses, as shall become available from the operation of the works after completion of the repairs, alterations, or extensions and for retention of title to materials furnished in the seller until paid for in full. However, a contract made pursuant to this section shall not be construed to deprive the people of the city of any right vested in them by the constitution or the laws of this state, to constitute the granting of any franchise or its operating equivalent, or to convey title to property to any person not possessed of the title prior to the execution of the title retaining contract.

Sec. 25. Loans shall not be made by the council, or by its authority, in any year exceeding the amounts prescribed in this act. For any loans lawfully made, the bonds of the city may be issued, subject to the provisions of the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, the bonds shall be executed in a manner as the council directs. Bonds previously issued or indebtedness previously incurred by any city are hereby validated.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Jay E. Randall

Clerk of the House of Representatives.

Approved

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Governor.