

Act No. 240
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 Young

ENROLLED SENATE BILL No. 867

AN ACT to amend 1951 PA 266, entitled "An act regulating garbage disposal by cities and villages; to provide for the adoption of ordinances; to provide for the borrowing of money and the issuance of bonds; to provide for rates for services; and to declare the effect of this act," by amending sections 4 and 7 (MCL 123.364 and 123.367), section 7 as amended by 1983 PA 28.

The People of the State of Michigan enact:

Sec. 4. For the purpose of defraying the cost of purchasing, acquiring, constructing, improving, installing, extending, enlarging, adjusting, and repairing a garbage disposal equipment system, any city or village may borrow money and issue its negotiable bonds for those purposes. However, bonds shall not be issued under this section unless and until the ordinance required by section 3 has been adopted, which ordinance shall set forth a brief description of the contemplated garbage disposal equipment system, the estimated cost of the system and the amount, maximum rate of interest, and the time of payment of the bonds, not to exceed 20 years. The bonds and coupons shall be exempt from any and all taxation by this state or by any taxing authority within this state. The principal of and interest on the bonds shall be payable primarily from the net revenues derived from the operation of the garbage disposal equipment system, and in addition the city or village may pledge the full faith, credit, and resources of the city or village for the payment of the bonds. No bond or coupon issued under this act shall constitute an indebtedness of the city or village within the meaning of any charter, statutory, or constitutional limitation. All bonds issued under this section are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

Sec. 7. All money received from the sale of any bonds issued under this act shall, after the payment of any appropriation made under section 6, be used solely for the purchase, acquisition, construction, improvement, installation, extension, enlargement, adjustment, or repair of the garbage disposal improvement for which the bonds were issued, including any engineering, legal, and other expenses incident to the garbage disposal improvement, and, if determined in the authorizing ordinance, the payment of the interest on the bonds during a period not to exceed the first 3 years following the date of the bonds and the amount required for operation and maintenance prior to the receipt of the first revenues.

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.