

Act No. 277
Public Acts of 2002
Approved by the Governor
May 8, 2002
Filed with the Secretary of State
May 9, 2002
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**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Senator DeBeaussaert

ENROLLED SENATE BILL No. 854

AN ACT to amend 1909 PA 278, entitled "An act to provide for the incorporation of villages and for revising and amending their charters; to provide for the levy and collection of taxes, borrowing of money, and issuance of bonds and other evidences of indebtedness; to validate bonds issued and obligations previously incurred; and to prescribe penalties and provide remedies," by amending section 24b (MCL 78.24b), as amended by 1989 PA 29.

The People of the State of Michigan enact:

Sec. 24b. (1) The governing body of a village may provide by resolution for energy conservation improvements to be made to village facilities and may pay for the improvements from operating funds of the village or from the savings that result from the energy conservation improvements. Energy conservation improvements may include, but are not limited to, heating system improvements, fenestration improvements, roof improvements, the installation of any insulation, the installation or repair of heating or air conditioning controls, and entrance or exit way closures.

(2) The governing body of a village may acquire 1 or more of the energy conservation improvements described in subsection (1) by installment contract or may borrow money and issue notes for the purpose of securing funds for the improvements or may enter into contracts in which the cost of the energy conservation improvements is paid from a portion of the savings that result from the energy conservation improvements. These contractual agreements may provide that the cost of the energy conservation improvements are paid only if the energy savings are sufficient to cover their cost. An installment contract or notes issued pursuant to this subsection shall extend for a period of time not to exceed 10 years. Notes issued pursuant to this subsection shall be full faith and credit, tax limited obligations of the village, payable from tax levies and the general fund as pledged by the governing body of the village. The notes are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. This subsection does not limit in any manner the borrowing or bonding authority of a village as provided by law.

(3) If energy conservation improvements are made as provided in this section, the governing body of a village shall report the following information to the department of treasury within 60 days of the completion of the improvements:

- (a) Name of each facility to which an improvement is made and a description of the conservation improvement.
- (b) Actual energy consumption during the 12-month period before completion of the improvement.
- (c) Project costs and expenditures.
- (d) Estimated annual energy savings.

(4) If energy conservation improvements are made as provided in this section, the governing body of a village shall report to the department of treasury, by July 1 of each of the 5 years after the improvements are completed, only the actual annual energy consumption of each facility to which improvements are made. The forms for the reports required by this section shall be furnished by the department of treasury.

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.