

MUNICIPAL SEWAGE AND WATER SUPPLY SYSTEMS (EXCERPT)
Act 233 of 1955

124.292a Additional security for payment of municipality's contractual obligations; pledging full faith and credit and state sales tax moneys; resolution.

Sec. 12a.

A municipality contracting with the authority, either under section 7, section 10, or section 12, as additional security for the payment of its contractual obligations, may by resolution of its governing body, irrevocably pledge its full faith and credit, and may further irrevocably pledge not to exceed 25% of the money derived from the state sales tax levied pursuant to law, and from time to time returned to it under section 10 of article 9 of the state constitution of 1963, to the payment of its contractual obligations. The resolution may also authorize and direct the county treasurer or other official charged with the disbursement of those funds, to withhold and pay over to the authority sufficient of the money to make up any deficiency in funds to meet its contractual obligations.

History: Add. 1957, Act 299, Imd. Eff. June 19, 1957 ;-- Am. 1981, Act 154, Imd. Eff. Nov. 19, 1981