PURCHASE OF LANDS AND PROPERTY FOR PUBLIC PURPOSES
Act 99 of 1933

AN ACT to authorize villages, townships, cities, and school districts to enter into contracts and agreements for the purchase of real or personal property for public purposes; to provide for the payment of the purchase price thereof; to authorize school districts to enter into certain other contracts; and to prescribe the use of the real or personal property.

History: 1933, Act 99, Imd. Eff. June 2, 1933;—Am. 1937, Act 242, Imd. Eff. July 21, 1937;—Am. 1969, Act 247, Imd. Eff. Aug. 11, 1969;—Am. 1973, Act 121, Imd. Eff. Aug. 21, 1973;—Am. 1997, Act 77, Imd. Eff. July 22, 1997.

The People of the State of Michigan enact:

123.721 Purchase of real or personal property; contract or agreement; limitations; exceptions.

Sec. 1. (1) A village, township, city, or school district, after adoption of a resolution by its governing body approving the action, may enter into any contract or agreement for the purchase of real or personal property for public purposes, to be paid for in installments over a period of not to exceed 15 years and not to exceed the useful life of the property acquired as determined by the resolution. For school buses, the determined useful life shall not exceed 6 years. The outstanding balance of all purchases authorized under this act, exclusive of interest, shall not exceed 1-1/4% of the taxable value of the real and personal property in the village, township, city, or school district at the date of the contract or agreement. The limitations do not apply to contracts or leases entered into under 1948 (1st Ex Sess) PA 31, MCL 123.951 to 123.965, or to other contracts or leases between public corporations or municipalities. The contracts or agreements, and the purchase of property under the contracts or agreements are not subject to the provisions of the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(2) The governing body of a village, township, city, or school district may include in its budget and pay a sum or sums as may be necessary each year to meet the payments of any installments, and the interest thereon, when and as the installment becomes due, including overdue installments.

(3) The authority granted in this act shall not be construed to authorize the governing body of a city, village, township, or school district to levy taxes in excess of statutory or charter limitations without the approval of its electors.

(4) The limitations imposed by subsection (1) are not applicable to a contract for purchase of lands declared surplus by the United States government or one of its agencies, subject to the prior approval of the contract by the department of treasury.

History: 1933, Act 99, Imd. Eff. June 2, 1933;—Am. 1937, Act 242, Imd. Eff. July 21, 1937;—CL 1948, 123.721;—Am. 1967, Act 290, Imd. Eff. Aug. 1, 1967;—Am. 1969, Act 247, Imd. Eff. Aug. 11, 1969;—Am. 1973, Act 121, Imd. Eff. Aug. 21, 1973;—Am. 1997, Act 77, Imd. Eff. July 22, 1997;—Am. 2002, Act 545, Imd. Eff. July 26, 2002.

123.721a Purchase of telecommunication services for school purposes.

Sec. 1a. The governing body of a school district may enter into a contract for the purchase of telecommunication and related services for school purposes to be paid for in installments over a period not to exceed the useful life of the service or the term of the contract, whichever is shorter. However, if the governing body borrows funds to pay for telecommunication and related services, the total cost of principal, interest, and fees, and expenses of borrowed funds, shall not exceed the total amount of the original service installment contract.

History: Add. 1997, Act 77, Imd. Eff. July 22, 1997.

123.722 Village, township and city property; use and leasing.

Sec. 2. Such property may be used for any useful public purpose, and by resolution of the legislative body of any village and/or township and/or city, any portion of any real estate or building, may be leased or otherwise let to the local school board for educational purposes, and may also be rented by day to day agreement for educational, charitable or entertainment purposes. The revenue from any such rentals shall be applied in the payment of any installment, and/or the interest thereon, until the purchase price of such property is wholly paid for, or for the maintenance and improvement of the same. Thereafter such revenues shall be covered into the general fund of such village and/or township and/or city.

History: 1933, Act 99, Imd. Eff. June 2, 1933;—Am. 1937, Act 242, Imd. Eff. July 21, 1937;—CL 1948, 123.722.

123.723 Village, township, city or school district property; control and maintenance.

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Sec. 3. The governing body of a village, township, city, or school district shall at all times have control of property purchased under this act and shall maintain the property for public use and purposes.

History: 1933, Act 99, Imd. Eff. June 2, 1933;—Am. 1937, Act 242, Imd. Eff. July 21, 1937;—CL 1948, 123.723;—Am. 1997, Act 77, Imd. Eff. July 22, 1997.

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