

HOUSE BILL No. 5758

April 1, 2004, Introduced by Rep. Koetje and referred to the Committee on Commerce.

A bill to amend 1994 PA 451, entitled "Natural resources and environmental protection act," by amending sections 21528 and 50510 (MCL 324.21528 and 324.50510), section 21528 as amended by 1996 PA 181 and section 50510 as amended by 2002 PA 387.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 21528. (1) The authority may issue from time to time
2 bonds or notes in principal amounts the authority considers
3 necessary to provide funds for any purpose, including, but not
4 limited to, all of the following:

5 (a) The purposes described in section 21506(4)(a) and (e).

6 (b) The payment, funding, or refunding of the principal of,
7 interest on, or redemption premiums on bonds or notes issued by
8 the authority whether the bonds or notes or interest to be funded
9 or refunded have or have not become due.

1 (c) The establishment or increase of reserves to secure or to
2 pay authority bonds or notes or interest on those bonds or
3 notes.

4 (d) The payment of interest on the bonds or notes for a
5 period determined by the authority.

6 (e) The payment of all other costs or expenses of the
7 authority incident to and necessary or convenient to implement
8 its purposes and powers.

9 (2) The bonds or notes of the authority are not a general
10 obligation of the authority but are payable solely from the
11 revenues or funds, or both, pledged to the payment of the
12 principal of and interest on the bonds or notes as provided in
13 the resolution authorizing the bond or note.

14 (3) The bonds or notes of the authority:

15 (a) Shall be authorized by resolution of the authority.

16 (b) Shall bear the date or dates of issuance.

17 (c) May be issued as either tax-exempt bonds or notes or
18 taxable bonds or notes for federal income tax purposes.

19 (d) Shall be serial bonds, term bonds, or term and serial
20 bonds.

21 (e) Shall mature at such time or times not exceeding 20 years
22 from the date of issuance.

23 (f) May provide for sinking fund payments.

24 (g) May provide for redemption at the option of the authority
25 for any reason or reasons.

26 (h) May provide for redemption at the option of the
27 bondholder for any reason or reasons.

1 (i) Shall bear interest at a fixed or variable rate or rates
2 of interest per annum or at no interest.

3 (j) Shall be registered bonds, coupon bonds, or both.

4 (k) May contain a conversion feature.

5 (l) May be transferable.

6 (m) Shall be in the form, denomination or denominations, and
7 with such other provisions and terms as is determined necessary
8 or beneficial by the authority.

9 (4) If a member of the board of directors or any officer of
10 the authority whose signature or facsimile of his or her
11 signature appears on the note, bond, or coupon ceases to be a
12 member or officer before the delivery of that bond or note, the
13 signature continues to be valid and sufficient for all purposes,
14 as if the member or officer had remained in office until the
15 delivery.

16 (5) Bonds or notes of the authority may be sold at a public
17 or private sale at the time or times, at the price or prices, and
18 at a discount as the authority determines. An authority bond or
19 note is not subject to the ~~municipal finance act, Act No. 202 of~~
20 ~~the Public Acts of 1943, being sections 131.1 to 139.3 of the~~
21 ~~Michigan Compiled Laws~~ **revised municipal finance act, 2001 PA**
22 **34, MCL 141.2101 to 141.2821.** ~~The bond or note shall not~~
23 ~~require the approval of the state treasurer under Act No. 202 of~~
24 ~~the Public Acts of 1943 and shall not be required to be~~
25 ~~registered.~~ The bond or note of the authority ~~shall not be~~ **is**
26 **not** required to be filed under the uniform securities act, ~~Act~~
27 ~~No. 265 of the Public Acts of 1964, being sections 451.501 to~~

1 ~~451.818 of the Michigan Compiled Laws 1964 PA 265, MCL 451.501~~
2 **to 451.818, or the uniform securities act (2002), MCL 451.2101 to**
3 **451.2703.**

4 Sec. 50510. (1) The authority may issue from time to time
5 bonds or notes in principal amounts the authority considers
6 necessary to provide funds for any purpose, including, but not
7 limited to, all of the following:

8 (a) The payment, funding, or refunding of the principal of,
9 interest on, or redemption premiums on bonds or notes issued by
10 the authority whether the bonds or notes or interest to be funded
11 or refunded have or have not become due.

12 (b) The establishment or increase of reserves to secure or to
13 pay authority bonds or notes or interest on those bonds or
14 notes.

15 (c) The payment of interest on the bonds or notes for a
16 period as the authority determines.

17 (d) The payment of all other costs or expenses of the
18 authority incident to and necessary or convenient to carry out
19 its corporate purposes and powers.

20 (2) The bonds or notes of the authority shall not be a
21 general obligation of the authority but shall be payable solely
22 from the revenues or funds, or both, pledged to the payment of
23 the principal of and interest on the bonds or notes as provided
24 in the resolution authorizing the bond or note.

25 (3) The bonds or notes of the authority:

26 (a) Shall be authorized by resolution of the authority.

27 (b) Shall bear the date or dates of issuance.

1 (c) May be issued as either tax-exempt bonds or notes or
2 taxable bonds or notes for federal income tax purposes.

3 (d) Shall be serial bonds, term bonds, or term and serial
4 bonds.

5 (e) Shall mature at such time or times not exceeding 30 years
6 from the date of issuance.

7 (f) May provide for sinking fund payments.

8 (g) May provide for redemption at the option of the authority
9 for any reason or reasons.

10 (h) May provide for redemption at the option of the
11 bondholder for any reason or reasons.

12 (i) Shall bear interest at a fixed or variable rate or rates
13 of interest per annum or at no interest.

14 (j) Shall be registered bonds, coupon bonds, or both.

15 (k) May contain a conversion feature.

16 (l) May be transferable.

17 (m) Shall be in the form, denomination or denominations, and
18 with the other provisions and terms as is determined necessary or
19 beneficial by the authority.

20 (4) If a member of the board or any officer of the authority
21 whose signature or facsimile of his or her signature appears on
22 the note, bond, or coupon ceases to be a member or officer before
23 the delivery of that note or bond, the signature shall continue
24 to be valid and sufficient for all purposes, as if the member or
25 officer had remained in office until the delivery.

26 (5) Bonds or notes of the authority may be sold at a public
27 or private sale at the time or times, at the price or prices, and

1 at a discount as the authority determines. Bonds and notes of
2 the authority are not subject to the revised municipal finance
3 act, 2001 PA 34, MCL 141.2101 to 141.2821. The bond or note of
4 the authority is not required to be filed under the uniform
5 securities act, 1964 PA 265, MCL 451.501 to 451.818, **or the**
6 **uniform securities act (2002), MCL 451.2101 to 451.2703.**

7 (6) The issuance of bonds and notes under this section is
8 subject to the agency financing reporting act, **2002 PA 470, MCL**
9 **129.171 to 129.177.**

10 (7) For the purpose of more effectively managing its debt
11 service, the authority may enter into an interest rate exchange
12 or swap, hedge, or similar agreement with respect to its bonds or
13 notes on the terms and payable from the sources and with the
14 security, if any, as determined by a resolution of the
15 authority.

16 Enacting section 1. This amendatory act does not take
17 effect unless Senate Bill No. _____ or House Bill No. 5746
18 (request no. 06004'03) of the 92nd Legislature is enacted into
19 law.