

# HOUSE BILL No. 4866

June 19, 2003, Introduced by Reps. Nofs, Shulman, Gaffney, Walker, Taub, Emmons, Pastor, Moolenaar, Shackleton, Steil, Kooiman and Shaffer and referred to the Committee on Appropriations.

A bill to amend 1961 PA 112, entitled

"An act to authorize and provide for the issuance, sale, and refunding of bonds, notes, or commercial paper of the state; to provide funds for making loans to school districts for payment of principal and interest on certain school bonds; to provide for use of moneys repaid to the state by school districts; and to make an appropriation,"

by amending section 3 (MCL 388.983), as amended by 1991 PA 64.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1       Sec. 3. (1) For the prompt payment of the principal and  
2 interest upon each bond or note issued under this act, the full  
3 faith and credit of the state are pledged, and there is  
4 appropriated each year during the life of these bonds or notes  
5 from the general fund a sufficient amount to pay the principal  
6 and interest on the bonds or notes maturing each year.

7       (2) For the 1990-91 state fiscal year only, there is  
8 appropriated from the general fund a sufficient amount to pay in  
9 full the principal and interest upon each of the bonds or notes

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1 issued under this act, including the defeasance of the principal  
2 and interest and any redemption premium on each bond or note that  
3 matures after September 30, 1991. However, the state treasurer  
4 shall expend money from this appropriation for the defeasance of  
5 the principal and interest and any redemption premium on a bond  
6 or note that matures after September 30, 1991 only to the extent  
7 the state administrative board provides by resolution for that  
8 defeasance to be made from this appropriation.

9 (3) Loan repayments deposited in the general fund pursuant to  
10 section 4 on the settlement date, as determined under section 9c  
11 of 1961 PA 108, MCL 388.959c, shall be used as follows:

12 (a) An amount determined by the state treasurer to be equal  
13 to the difference between the outstanding amount of general  
14 obligation debt incurred pursuant to this act and the outstanding  
15 amount of loans under 1961 PA 108, MCL 388.951 to 388.963,  
16 immediately preceding the settlement date, as reduced in  
17 accordance with section 9c(1) of 1961 PA 108, MCL 388.959c, is  
18 appropriated to the state school aid fund. This appropriation  
19 shall be used to make state school aid payments to school  
20 districts within 90 days after the settlement date.

21 (b) The state treasurer shall use the balance of the  
22 deposits, if any, within 90 days after the settlement date to pay  
23 or prepay outstanding general obligation debt incurred under this  
24 act.

25 Enacting section 1. This amendatory act does not take  
26 effect unless House Bill No. 4727 of the 92nd Legislature is  
27 enacted into law.