

HOUSE BILL No. 6243

June 12, 2018, Introduced by Reps. Sabo, Rabhi, Wittenberg, Green, Chang, Geiss, Lasinski, Elder, Hertel, Sowerby, Yancey, Yanez, Moss, LaGrand, Sneller, Zemke, Cochran, Singh, Brinks, Durhal, Greig, Cambensy, Faris, Phelps, Gay-Dagnogo, Hammoud, Neeley and Jones and referred to the Committee on Natural Resources.

A bill to amend 1994 PA 451, entitled
"Natural resources and environmental protection act,"
(MCL 324.101 to 324.90106) by adding part 198 and sections 19801,
19802, 19803, 19804, and 19805.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

PART 198 CLEAN MICHIGAN INITIATIVE REAUTHORIZATION IMPLEMENTATION

SEC. 19801. AS USED IN THIS PART:

(A) "BONDS" MEANS THE BONDS AUTHORIZED UNDER THE CLEAN
MICHIGAN INITIATIVE REAUTHORIZATION ACT.

(B) "CORRECTIVE ACTION" MEANS THAT TERM AS IT IS DEFINED IN
PART 213.

(C) "DEPARTMENT" MEANS THE DEPARTMENT OF ENVIRONMENTAL
QUALITY.

1 (D) "FACILITY" MEANS THAT TERM AS IT IS DEFINED IN PART 201.

2 (E) "FUND" MEANS THE CLEAN MICHIGAN INITIATIVE REAUTHORIZATION
3 BOND FUND CREATED IN SECTION 19806.

4 (F) "GAMING FACILITY" MEANS A GAMING FACILITY REGULATED UNDER
5 THE MICHIGAN GAMING CONTROL AND REVENUE ACT, THE INITIATED LAW OF
6 1996, MCL 432.201 TO 432.226.

7 (G) "LOCAL UNIT OF GOVERNMENT" MEANS A COUNTY, CITY, VILLAGE,
8 OR TOWNSHIP, OR AN AGENCY OF A COUNTY, CITY, VILLAGE, OR TOWNSHIP;
9 OR AN AUTHORITY OR OTHER PUBLIC BODY CREATED BY OR PURSUANT TO
10 STATE LAW.

11 (H) "RESPONSE ACTIVITY" MEANS THAT TERM AS DEFINED IN PART
12 201.

13 SEC. 19802. THE LEGISLATURE FINDS AND DECLARES THAT THE
14 ENVIRONMENTAL, NATURAL RESOURCES, AND PUBLIC HEALTH PROTECTION
15 PROGRAMS IMPLEMENTED UNDER THIS PART ARE A PUBLIC PURPOSE AND OF
16 PARAMOUNT PUBLIC CONCERN IN THE INTEREST OF THE HEALTH, SAFETY, AND
17 GENERAL WELFARE OF THE CITIZENS OF THIS STATE.

18 SEC. 19803. (1) THE BONDS SHALL BE ISSUED IN 1 OR MORE SERIES,
19 EACH SERIES TO BE IN A PRINCIPAL AMOUNT, TO BE DATED, TO HAVE THE
20 MATURITIES THAT MAY BE EITHER SERIAL, TERM, OR BOTH, TO BEAR
21 INTEREST AT A RATE OR RATES, TO BE SUBJECT OR NOT SUBJECT TO PRIOR
22 REDEMPTION, AND IF SUBJECT TO PRIOR REDEMPTION WITH OR WITHOUT CALL
23 PREMIUMS, TO BE PAYABLE AT A PLACE OR PLACES, TO HAVE OR NOT HAVE
24 PROVISIONS FOR REGISTRATION AS TO PRINCIPAL ONLY OR AS TO BOTH
25 PRINCIPAL AND INTEREST, TO BE IN A FORM AND TO BE EXECUTED IN A
26 MANNER AS SHALL BE DETERMINED BY RESOLUTION TO BE ADOPTED BY THE
27 STATE ADMINISTRATIVE BOARD AND SUBJECT TO COVENANTS, DIRECTIONS,

1 RESTRICTIONS, OR RIGHTS SPECIFIED BY RESOLUTION TO BE ADOPTED BY
2 THE STATE ADMINISTRATIVE BOARD AS NECESSARY TO ENSURE THE
3 MARKETABILITY, INSURABILITY, OR TAX EXEMPT STATUS OF THE BONDS. THE
4 STATE ADMINISTRATIVE BOARD SHALL ROTATE THE SERVICES OF LEGAL
5 COUNSEL WHEN ISSUING BONDS.

6 (2) THE STATE ADMINISTRATIVE BOARD MAY REFUND BONDS ISSUED
7 UNDER THIS PART BY THE ISSUANCE OF NEW BONDS, WHETHER OR NOT THE
8 BONDS TO BE REFUNDED HAVE MATURED OR ARE SUBJECT TO PRIOR
9 REDEMPTION. THE STATE ADMINISTRATIVE BOARD MAY ISSUE BONDS PARTLY
10 TO REFUND BONDS ISSUED UNDER THIS PART AND PARTLY FOR ANY OTHER
11 PURPOSE PROVIDED BY THIS PART. THE PRINCIPAL AMOUNT OF ANY
12 REFUNDING BONDS ISSUED UNDER THIS SECTION SHALL NOT BE COUNTED
13 AGAINST THE LIMITATION ON PRINCIPAL AMOUNT PROVIDED IN THE CLEAN
14 MICHIGAN INITIATIVE REAUTHORIZATION ACT. FURTHER, REFUNDING BONDS
15 ISSUED UNDER THIS SECTION ARE NOT SUBJECT TO THE RESTRICTIONS OF
16 SECTION 19807.

17 (3) THE STATE ADMINISTRATIVE BOARD MAY APPROVE INSURANCE
18 CONTRACTS, AGREEMENTS FOR LINES OF CREDIT, LETTERS OF CREDIT,
19 COMMITMENTS TO PURCHASE BONDS, AND ANY OTHER TRANSACTION TO PROVIDE
20 SECURITY TO ENSURE TIMELY PAYMENT OR PURCHASE OF ANY BOND ISSUED
21 UNDER THIS PART.

22 (4) THE STATE ADMINISTRATIVE BOARD MAY AUTHORIZE THE STATE
23 TREASURER, BUT ONLY WITHIN LIMITATIONS CONTAINED IN THE AUTHORIZING
24 RESOLUTION OF THE BOARD, TO DO 1 OR MORE OF THE FOLLOWING:

25 (A) SELL AND DELIVER AND RECEIVE PAYMENT FOR THE BONDS.

26 (B) DELIVER BONDS PARTLY TO REFUND BONDS AND PARTLY FOR OTHER
27 AUTHORIZED PURPOSES.

1 (C) SELECT WHICH OUTSTANDING BONDS WILL BE REFUNDED, IF ANY,
2 BY THE NEW ISSUE OF BONDS.

3 (D) BUY ISSUED BONDS AT NOT MORE THAN THEIR FACE VALUE.

4 (E) APPROVE INTEREST RATES OR METHODS FOR FIXING INTEREST
5 RATES, PRICES, DISCOUNTS, MATURITIES, PRINCIPAL AMOUNTS, PURCHASE
6 PRICES, PURCHASE DATES, REMARKETING DATES, DENOMINATIONS, DATES OF
7 ISSUANCE, INTEREST PAYMENT DATES, REDEMPTION RIGHTS AT THE OPTION
8 OF THE STATE OR THE OWNER, THE PLACE AND TIME OF DELIVERY AND
9 PAYMENT, AND OTHER MATTERS AND PROCEDURES NECESSARY TO COMPLETE THE
10 AUTHORIZED TRANSACTIONS.

11 (F) EXECUTE, DELIVER, AND PAY THE COST OF REMARKETING
12 AGREEMENTS, INSURANCE CONTRACTS, AGREEMENTS FOR LINES OF CREDIT,
13 LETTERS OF CREDIT, COMMITMENTS TO PURCHASE BONDS OR NOTES, AND ANY
14 OTHER TRANSACTION TO PROVIDE SECURITY TO ENSURE TIMELY PAYMENTS OR
15 PURCHASE OF ANY BOND ISSUED UNDER THIS PART.

16 (5) THE BONDS ARE NOT SUBJECT TO THE REVISED MUNICIPAL FINANCE
17 ACT, 2001 PA 34, MCL 141.2101 TO 141.2821.

18 (6) THE BONDS OR ANY SERIES OF THE BONDS SHALL BE SOLD AT A
19 PRICE AS DETERMINED BY THE STATE ADMINISTRATIVE BOARD.

20 (7) THE BONDS SHALL BE SOLD IN ACCORDANCE WITH A SCHEDULE
21 ESTABLISHED BY THE STATE ADMINISTRATIVE BOARD.

22 (8) THE ISSUANCE OF BONDS UNDER THIS SECTION IS SUBJECT TO THE
23 AGENCY FINANCING REPORTING ACT 2002 PA 470, MCL 129.171 TO 129.177.

24 (9) FOR THE PURPOSE OF MORE EFFECTIVELY MANAGING ITS DEBT
25 SERVICE, THE STATE ADMINISTRATIVE BOARD MAY ENTER INTO AN INTEREST
26 RATE EXCHANGE OR SWAP, HEDGE, OR SIMILAR AGREEMENT WITH RESPECT TO
27 ITS BONDS OR NOTES ON THE TERMS AND PAYABLE FROM THE SOURCES AND

1 WITH THE SECURITY, IF ANY, AS DETERMINED BY A RESOLUTION OF THE
2 STATE ADMINISTRATIVE BOARD.

3 SEC. 19804. THE BONDS SHALL BE FULLY NEGOTIABLE UNDER THE
4 UNIFORM COMMERCIAL CODE, 1962 PA 174, MCL 440.1101 TO 440.9994. THE
5 BONDS AND THE INTEREST ON THE BONDS SHALL BE EXEMPT FROM ALL
6 TAXATION BY THE STATE OR ANY POLITICAL SUBDIVISION OF THE STATE.

7 SEC. 19805. THE BONDS ARE SECURITIES IN WHICH BANKS, SAVINGS
8 AND LOAN ASSOCIATIONS, INVESTMENT COMPANIES, CREDIT UNIONS, AND
9 OTHER PERSONS CARRYING ON A BANKING BUSINESS; ALL INSURANCE
10 COMPANIES, INSURANCE ASSOCIATIONS, AND OTHER PERSONS CARRYING ON AN
11 INSURANCE BUSINESS; AND ALL ADMINISTRATORS, EXECUTORS, GUARDIANS,
12 TRUSTEES, AND OTHER FIDUCIARIES MAY PROPERLY AND LEGALLY INVEST
13 FUNDS, INCLUDING CAPITAL, BELONGING TO THEM OR WITHIN THEIR
14 CONTROL.

15 Enacting section 1. This amendatory act does not take effect
16 unless all of the following bills of the 99th Legislature are
17 enacted into law:

18 (a) Senate Bill No. _____ or House Bill No. 6244 (request no.
19 06530'18).

20 (b) Senate Bill No. _____ or House Bill No. 6245 (request no.
21 06531'18).

22 Enacting section 2. This amendatory act does not take effect
23 unless the question provided for in the clean Michigan initiative
24 reauthorization act is approved by a majority of the registered
25 electors voting on the question at the next general election.