SENATE BILL No. 1180

A bill to amend 1994 PA 451, entitled

"Natural resources and environmental protection act,"

by amending section 50510 (MCL 324.50510), as added by 1995 PA

57.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1   Sec. 50510. (1) The authority may issue from time to time

2 bonds or notes in principal amounts the authority considers nec-

3 essary to provide funds for any purpose, including, but not

4 limited to, all of the following:

5   (a) The payment, funding, or refunding of the principal of,

6 interest on, or redemption premiums on bonds or notes issued by

7 the authority whether the bonds or notes or interest to be funded

8 or refunded have or have not become due.

1   (b) The establishment or increase of reserves to secure or

2 to pay authority bonds or notes or interest on those bonds or

3 notes.

4   (c) The payment of interest on the bonds or notes for a

5 period as the authority determines.

6   (d) The payment of all other costs or expenses of the

7 authority incident to and necessary or convenient to carry out

8 its corporate purposes and powers.

9   (2) The bonds or notes of the authority shall not be a gen-

10 eral obligation of the authority but shall be payable solely from

11 the 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 30

22 years from the date of issuance.

23   (f) May provide for sinking fund payments.

24   (g) May provide for redemption at the option of the author-

25 ity for any reason or reasons.

26   (h) May provide for redemption at the option of the

27 bondholder for any reason or reasons.

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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~~ THE other provisions and terms as is determined nec-

8 essary or beneficial by the authority.

9   (4) If a member of the board or any officer of the authority

10 whose signature or facsimile of his or her signature appears on

11 the note, bond, or coupon ceases to be a member or officer before

12 the delivery of that note or bond, the signature shall continue

13 to be valid and sufficient for all purposes, as if the member or

14 officer had remained in office until the delivery.

15   (5) Bonds or notes of the authority may be sold at a public

16 or private sale at the time or times, at the price or prices, and

17 at a discount as the authority determines. ~~An authority bond or~~

18 ~~note is not subject to the municipal finance act, Act No. 202 of~~

19 ~~the Public Acts of 1943, being sections 131.1 to 139.3 of the~~

20 ~~Michigan Compiled Laws. The bond or note does not require the~~

21 ~~approval of the state treasurer under Act No. 202 of the Public~~

22 ~~Acts of 1943 and is not required to be registered~~ BONDS AND

23 NOTES OF THE AUTHORITY ARE NOT SUBJECT TO THE REVISED MUNICIPAL

24 FINANCE ACT, 2001 PA 34, MCL 141.2101 TO 141.2821. The bond or

25 note of the authority is not required to be filed under the uni-

26 form securities act, ~~Act No. 265 of the Public Acts of 1964,~~

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1 ~~being sections 451.501 to 451.818 of the Michigan Compiled Laws~~

2 1964 PA 265, MCL 451.501 TO 451.818.

3   (6) THE ISSUANCE OF BONDS AND NOTES UNDER THIS SECTION IS

4 SUBJECT TO THE AGENCY FINANCING REPORTING ACT.