

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 856

A bill to amend 1948 (1st Ex Sess) PA 31, entitled

"An act to provide for the incorporation of authorities to acquire, furnish, equip, own, improve, enlarge, operate, and maintain buildings, automobile parking lots or structures, recreational facilities, stadiums, and the necessary site or sites therefor, together with appurtenant properties and facilities necessary or convenient for the effective use thereof, for the use of any county, city, village, or township, or for the use of any combination of 2 or more counties, cities, villages, or townships, or for the use of any school district and any city, village, or township wholly or partially within the district's boundaries, or for the use of any school district and any combination of 2 or more cities, villages, or townships wholly or partially within the district's boundaries, or for the use of any intermediate school district and any constituent school district or any city, village, or township, wholly or partially within the intermediate school district's boundaries; to provide for compensation of authority commissioners; to permit transfers of property to authorities; to authorize the execution of contracts, leases, and subleases pertaining to authority property and the use of authority property; to authorize incorporating units to impose taxes without limitation as to rate or amount and to pledge their full faith and credit for the payment of contract of lease obligations in anticipation of which bonds are issued by an authority; to provide for the issuance of bonds by such authorities; to validate action taken and bonds issued; to provide other powers, rights, and duties of authorities and incorporating

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units, including those for the disposal of authority property;
and to prescribe penalties and provide remedies,"

by amending section 11j (MCL 123.961j), as amended by 1983 PA 29;
and to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11j. (1) ~~Except as otherwise provided in this sec-~~
2 ~~tion, all~~ ALL bonds authorized under this act ~~shall be sold at~~
3 ~~public sale after notice by publication at least 7 days before~~
4 ~~the date of sale in a publication printed in the English language~~
5 ~~and circulated in this state, which carries as part of its regu-~~
6 ~~lar service notices of sale of municipal bonds and which has been~~
7 ~~approved by the department of treasury as a publication complying~~
8 ~~with the qualifications in this act. If the bonds to be issued~~
9 ~~equal or exceed \$10,000,000.00 in amount; are to be issued pursu-~~
10 ~~ant to section 11k; or are to be issued to finance the completion~~
11 ~~of a facility originally financed by the sale of bonds under this~~
12 ~~act, the bonds may be sold at a public or negotiated sale. Bonds~~
13 ~~issued under this act shall not be sold at a price which would~~
14 ~~make the interest costs on the money borrowed, after deducting~~
15 ~~any premium or adding any discount, exceed the maximum rate per-~~
16 ~~mitted by Act No. 202 of the Public Acts of 1943, as amended,~~
17 ~~being sections 131.1 to 139.3 of the Michigan Compiled Laws, or~~
18 ~~sold at a discount exceeding 10% of the principal amount of the~~
19 ~~bonds.~~ ARE SUBJECT TO THE REVISED MUNICIPAL FINANCE ACT, 2001 PA
20 34, MCL 141.2101 TO 141.2821.

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1 (2) THE PRINCIPAL AND INTEREST ON BONDS ISSUED UNDER THIS
2 ACT ARE EXEMPT FROM TAXATION BY THIS STATE AND BY ANY OTHER
3 TAXING AUTHORITY WITHIN THIS STATE.

4 Enacting section 1. Sections 11c, 11i, and 11k of 1948 (1st
5 Ex Sess) PA 31, MCL 123.961c, 123.961i, and 123.961k, are
6 repealed.