

UNIFIED VOLUME LIMITATION ALLOCATION ACT (EXCERPT)
Act 496 of 1988

12.114 Allotments to state and municipal issuers for allocation; reallocation; division of allotment into installments; increase in monthly installments; reserving portion of monthly allotment; pro rata reductions in monthly installments.

Sec. 4.

(1) The treasurer shall allot 40% of the unified volume limitation to the state issuers and 60% of the unified volume limitation to the municipal issuers for allocation pursuant to this act. If, during a year, 90% of the allotment to municipal issuers has been allocated, the treasurer may reallocate all or a part of the remaining portion of the unified volume limitation from the state issuers to the municipal issuers. If, during a year, 90% of the allotment to state issuers has been allocated, the treasurer may reallocate all or a part of the remaining portion of the unified volume limitation from the municipal issuers to the state issuers.

(2) The treasurer shall divide the allotment under this section to municipal issuers into 10 installments for monthly allocation pursuant to section 6 from January through October to municipal issuers requesting an allocation for that month. The treasurer shall increase each monthly installment by the amount of the previous monthly installment that is not allocated to municipal issuers, by the amount of allocations to municipal issuers that have expired, and by the amount of the portion of the unified volume limitation allotted to state issuers that is transferred for allocation to municipal issuers. The treasurer may reserve a portion of a monthly allotment in anticipation of the necessity of a future allocation in excess of future available allotments or may grant an allocation in excess of the available monthly allotment. After October of each year, the remaining amount of the unified volume limitation allotted for municipal issuers shall be allocated pursuant to section 6(2).

(3) The treasurer shall decrease a monthly installment of the allotment of the unified bond limitation to municipal issuers by a pro rata amount of the amount of any transfer to state issuers pursuant to subsection (1), the amount of a reservation for future allotment pursuant to subsection (2), and the amount of an approved allocation request in excess of the amount of the unified volume limitation available for allocation to municipal issuers in that month pursuant to subsection (2). The pro rata reductions shall be determined according to the number of monthly installments remaining in the year, excluding the monthly installment for the month in which the reservation, transfer, or allocation is made.

History: 1988, Act 496, Eff. Mar. 30, 1989