

SHARED CREDIT RATING ACT (EXCERPT)
Act 227 of 1985

141.1053 Definitions.

Sec. 3.

As used in this act:

(a) "Authority" means the Michigan finance authority created by Executive Reorganization Order No. 2010-2, MCL 12.194.

(b) "Board" means the board of directors of the authority.

(c) "Bonds" means bonds of the authority issued under this act with a maturity greater than 3 years.

(d) "Capitalization grant" means the federal grant made to this state by the United States Environmental Protection Agency for either of the following purposes:

(i) For the purpose of establishing a state water pollution control revolving fund, as provided in title VI of the federal water pollution control act, 33 USC 1381 to 1389.

(ii) For the purpose of establishing a state drinking water revolving fund, as provided in section 1452 of the federal safe drinking water act, 42 USC 300j-12.

(e) "Community water supply" means a community water supply as defined in part 54 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5401 to 324.5418.

(f) "Emergency loan board loan" means a loan made by this state to a governmental unit pursuant to the emergency municipal loan act, 1980 PA 243, MCL 141.931 to 141.942.

(g) "Federal safe drinking water act" means 42 USC 300f to 300j-25.

(h) "Federal water pollution control act" means 33 USC 1251 to 1389.

(i) "Fully marketable form" means a municipal obligation duly executed and accompanied by all of the following:

(i) An approving legal opinion of a bond counsel approved by the authority and of nationally recognized standing in the field of municipal law.

(ii) Closing documents in a form and substance satisfactory to the authority. The executed municipal obligation need not be printed or lithographed nor be in more than 1 denomination.

(iii) Evidence that the pledge for payment of the municipal obligation will be sufficient to pay the principal of and interest on the municipal obligation when due.

(iv) For purposes of a project funded under section 16a, an order of approval issued by the department of environment, Great Lakes, and energy under part 53 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316. The order shall state that the project proposed by the governmental unit has been approved for assistance by the department of environment, Great Lakes, and energy.

(v) For purposes of a community water supply or a noncommunity water supply funded under section 16b, an order of approval issued by the department of environment, Great Lakes, and energy under part 54 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5401 to 324.5418. The order shall state that the community water supply or the noncommunity water supply proposed by the governmental unit has been approved for assistance by the department of environment, Great Lakes, and energy.

(j) "Governmental unit" means this state, a county, city, township, village, school district, intermediate school district, community college, public university, authority, district, any other body corporate and politic or other political subdivision, any agency or instrumentality of the foregoing, or any group self-insurance pool formed pursuant to 1951 PA 35, MCL 124.1 to 124.13. For purposes of a project funded under section 16a, governmental unit includes an Indian tribe that has jurisdiction over construction and operation of a project qualifying under 33 USC 1329. For purposes of a community water supply or a noncommunity water supply funded under section 16b, governmental unit includes a community water supplier. A governmental unit does not include a self-insurance pool unless the self-insurance pool has filed a certification by an independent actuary that the reserves set aside under section 7a of 1951 PA 35, MCL 124.7a, are adequate for the payment of claims. A school district includes a public school academy established under the revised school code, 1976 PA 451, MCL 380.1 to 380.1852. Funds loaned to a public school academy or a school district may not be used to finance the purchase, construction, lease, or renovation of property owned, directly or indirectly, by any officer, board member, or employee of that public school.

(k) "Municipal obligation" means a bond or note or evidence of debt issued by a governmental unit for a purpose authorized by law. A municipal obligation includes loan repayment obligations from a school district to this state with respect to a qualified loan made under a school loan act that is assigned or otherwise transferred by this state to the authority. A municipal obligation includes an emergency loan board loan that is assigned or otherwise transferred by this state to the authority.

(l) "Noncommunity water supply" means a noncommunity water supply as defined in part 54 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5401 to 324.5418.

(m) "Notes" means an obligation of the authority issued as provided in this act, including commercial paper, with a maturity of 3 years or less.

(n) "Project" means a sewage treatment works project or a nonpoint source project, or both, as defined in part 53 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5301 to 324.5316.

(o) "Reserve fund" means a bond reserve fund or note reserve fund created and established under section 16.

(p) "Revenues" means all fees, charges, money, profits, payments of principal of or interest on municipal obligations and other investments, gifts, grants, contributions, and all other income derived or to be derived by the authority under this act.

(q) "School loan act" means an act to implement section 16 of article IX of the state constitution of 1963, including, but not limited to, former 1961 PA 108, 1961 PA 112, MCL 388.981 to 388.985, and the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939. For a qualified bond, as that term is defined in former 1961 PA 108, with a certificate of qualification from the state treasurer issued before July 20, 2005, "school loan act" means former 1961 PA 108. For a qualified bond, as that term is defined in the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939, with a certificate of qualification or approval issued by the state treasurer on or after July 20, 2005, school loan act means the school bond qualification, approval, and loan act, 2005 PA 92, MCL 388.1921 to 388.1939.

(r) "Water supplier" means a water supplier as that term is defined in part 54 of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5401 to 324.5418.

History: 1985, Act 227, Eff. Mar. 31, 1986 ;-- Am. 1988, Act 270, Imd. Eff. July 15, 1988 ;-- Am. 1988, Act 316, Eff. Sept. 1, 1988 ;-- Am. 1996, Act 241, Imd. Eff. June 10, 1996 ;-- Am. 1997, Act 27, Imd. Eff. June 17, 1997 ;-- Am. 2000, Act 416, Imd. Eff. Jan. 8, 2001 ;-- Am. 2005, Act 93, Imd. Eff. July 20, 2005 ;-- Am. 2012, Act 288, Imd. Eff. Aug. 1, 2012 ;-- Am. 2022, Act 133, Imd. Eff. June 30, 2022