

NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)
Act 451 of 1994

324.74108 Resolution authorizing issuance of bonds; contents.

Sec. 74108.

A resolution adopted by the commission authorizing the issuance of bonds shall contain all of the following:

(a) A description in reasonable detail of the improvement program as approved by the legislature, for which the bonds are to be issued.

(b) The form of the bonds and all of the following:

(i) The maturity date or dates for the bonds with no maturity later than 30 years after the issuance of the bonds.

(ii) The principal amount of and principal payment dates for the bonds.

(iii) The interest rate or rates for the bonds or that bonds shall not bear any interest.

(iv) The redemption provisions, with or without premium, for the bonds, if any.

(v) The authorized denominations for the bonds.

(vi) Whether the bonds may be sold at a discount or for a premium.

(vii) The manner in which the bonds will be executed.

(viii) Any other provision concerning the bonds or the security for the bonds the commission considers appropriate.

(c) A provision that the state park revenues shall be pledged for the payment of the bonds. However, the pledge of state park revenues shall be on a parity with pledges of the revenues previously or subsequently made by the commission pursuant to any other resolution authorizing the issuance of bonds under this part and the resolution shall state that the pledge complies with this subdivision.

(d) A covenant that the park permit fees and penalties provided in section 74117 shall be revised from time to time within the limits permitted by law when necessary to ensure that the revenues to be derived from the fees shall be sufficient to pay the principal of and interest on bonds issued pursuant to this part and other obligations of the commission in connection with the issuance of bonds.

(e) A provision requiring the fiscal agent to set aside money from the state park revenue bond receiving fund into a fund to be designated as the state park debt service fund in a sum proportionately sufficient to provide for the payment of the principal of and interest upon all bonds payable from the fund as and when the principal and interest becomes due and payable in the manner prescribed by the commission. In addition the resolution shall authorize the commission to provide that a reasonable excess amount may be set aside by the fiscal agent from time to time as directed by the commission in the state park debt service fund to produce and provide a reserve to meet a possible future deficiency in the fund. The resolution shall further provide that out of the revenues remaining each quarter, after having first met the requirements of the state park debt service fund, including the reserve for the fund, the commission may by direction to the fiscal agent next set aside additional money in the state park debt service fund for the purpose of calling bonds for redemption, subject to approval by the state administrative board. The resolution shall also contain a provision for the investment of funds held by the fiscal agent.

(f) A provision that money on deposit in the state park revenue bond receiving fund after setting aside the amounts in the state park debt service fund is surplus money, and shall be deposited quarterly by the fiscal agent upon the order of the commission in the state treasury in the state park improvement account. Money in the state park improvement account shall be used only for the improvement, operation, and maintenance of state parks and recreation areas and for the administration of the state park improvement account. Not less than \$10.00 of each annual permit and not less than \$2.00 of each daily permit projected to be sold in a fiscal year may be appropriated from the state park improvement account for the maintenance and operation of state parks and recreation areas in that fiscal year.

(g) The terms and conditions under which additional bonds payable from the state park revenues of equal standing with a prior issue of bonds may be issued.

(h) A provision for deposit and expenditure of the proceeds of sale of the bonds and for investment of the proceeds of sale of the bonds and of other funds of the commission relating to bonds authorized by this part.

(i) A provision that in the event of a default in the payment of principal of or interest on the bonds, or in the performance of an agreement or covenant contained in the resolution, the holders of a specified percentage of the outstanding bonds may institute 1 or more of the following for the equal benefit of the holders of all of the bonds:

(i) An action of mandamus or any other suit, action, or proceeding to enforce the rights of the holders of the bonds.

(ii) An action upon the defaulted bonds or coupons.

(iii) Any other action as may be provided by law.

History: Add. 1995, Act 58, Imd. Eff. May 24, 1995 ;-- Am. 2004, Act 587, Eff. Dec. 23, 2006

Compiler's Notes: Enacting section 2 of Act 587 of 2004 provides: "Enacting section 2. This amendatory act does not take effect unless House Joint Resolution Z of the 92nd Legislature becomes a part of the state constitution of 1963 as provided in section 1 of article XII of the state constitution of 1963."

Popular Name: Act 451

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