

HOUSE SUBSTITUTE FOR

SENATE BILL NO. 629

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, transit-oriented developments, transit-oriented facilities, 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 units, including those for the disposal of authority property; and to prescribe penalties and provide remedies,"

by amending section 11 (MCL 123.961), as amended by 2008 PA 452.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 11. (1) For the purpose of defraying all or part of the
2 cost of acquiring, improving, and enlarging any building or
3 buildings, automobile parking lots or structures, recreational
4 facilities, stadiums, and the necessary site or sites for the
5 property, together with appurtenant properties and facilities
6 necessary or convenient for the effective use of the property,
7 furnishing and equipping the same, or refunding outstanding bonds,
8 the authority, after execution and delivery of a full faith and
9 credit general obligation contract of lease, as provided in this
10 act, and pursuant to ordinance or resolution duly adopted by a
11 majority vote of the elected members of the commission, may issue
12 its negotiable bonds in anticipation of the contract obligations of
13 the incorporating unit or units to make cash rental payments to the
14 authority and may pledge the receipts from the payments for payment
15 of bonds and interest on the bonds. Bonds shall not be issued
16 unless the property has been leased by the authority to its
17 incorporating unit or units for a period extending beyond the last
18 maturity of the bonds and until the contract of lease is fully
19 effective. The bonds shall be called building authority bonds, or,
20 in the case of bonds issued to refund outstanding bonds, the bonds
21 shall be called building authority refunding bonds.

22 (2) For the purpose of defraying all or part of the cost of
23 refunding capital appreciation bonds originally issued on May 17,

1 1990, **OR BONDS ISSUED TO REFUND THOSE BONDS**, the authority,
2 pursuant to resolution duly adopted by a majority vote of the
3 elected members of the commission, may issue its negotiable bonds
4 in anticipation of the contract obligations of the incorporating
5 unit to make cash rental payments to the authority under a full
6 faith and credit general obligation contract of lease dated
7 November 14, 1989, and may pledge the receipts from the contract of
8 lease for payment of bonds and interest on the bonds. If issued
9 before ~~January 1, 2011,~~ **DECEMBER 31, 2019**, the refunding bonds are
10 not subject to the requirements of section 305(2), (3), (5), or
11 (6), 501, ~~or~~ 503, **OR 611** of the revised municipal finance act, 2001
12 PA 34, MCL 141.2305, 141.2501, ~~and~~ 141.2503, **AND 141.2611**.
13 Notwithstanding the bond maturity dates contained in the notice of
14 intention of entering into the full faith and credit general
15 obligation contract of lease published by the incorporating unit as
16 required by section 8b(3), the refunding bonds may be payable
17 through 2039.