

Act No. 252

Public Acts of 2005

Approved by the Governor

December 1, 2005

Filed with the Secretary of State

December 1, 2005

EFFECTIVE DATE: December 1, 2005

STATE OF MICHIGAN

93RD LEGISLATURE

REGULAR SESSION OF 2005

Introduced by Reps. Vagnozzi, Polidori, Donigan, Tobocman, Alma Smith, Hopgood, Kathleen Law, Accavitti, Zelenko, Stakoe, Byrum, Waters, Bennett and Gonzales

ENROLLED HOUSE BILL No. 5297

AN ACT to amend 1985 PA 227, entitled "An act to create the Michigan municipal bond authority and to prescribe its powers and duties; to provide for the issuance of, and terms and conditions for, notes and bonds of the authority; to authorize certain forms of assistance to governmental units including the creation and management of investments; to impose conditions on, grant certain powers to political subdivisions of this state and water suppliers regarding, and allow certain agreements regarding obligations of this state, political subdivisions of this state, and water suppliers purchased by the authority or assigned to the authority; to exempt the property, income, and operation of the authority, its bonds and notes, and the interest on its bonds and notes from certain taxes; to grant powers and impose duties on officers and agencies of this state, political subdivisions of this state, and water suppliers; to accept and expend certain appropriations; and to repeal acts and parts of acts," (MCL 141.1051 to 141.1076) by adding section 16d.

The People of the State of Michigan enact:

Sec. 16d. (1) In addition to any other authority granted under law, each governmental unit may enter into grant agreements under section 5204a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5204a, and may pledge its limited taxing power as security for any repayment obligation of the governmental unit. The grant agreements are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. Repayment obligations of a governmental unit under a grant

agreement are not a general obligation or debt of the governmental unit within the meaning of any constitutional or statutory debt limitation and are not subject to any notice or referendum requirement.

(2) Grant agreements under section 5204a of the natural resources and environmental protection act, 1994 PA 451, MCL 324.5204a, may be entered into by the authority and are not required to be in fully marketable form.

Enacting section 1. This amendatory act does not take effect unless all of the following bills of the 93rd Legislature are enacted into law:

(a) House Bill No. 4572.

(b) House Bill No. 4573.

(c) Senate Bill No. 790.

(d) Senate Bill No. 789.

(e) Senate Bill No. 799.

This act is ordered to take immediate effect.

Clerk of the House of Representatives

Secretary of the Senate

Approved

Governor