

HOUSE BILL No. 6162

September 30, 1992, Introduced by Rep. Gubow and referred to the Committee on Taxation.

A bill to authorize the issuance of general obligation bonds of the state to finance improvements at Michigan public schools; to pledge the full faith and credit of the state for the payment of principal and interest on the bonds; to pay for issuing the bonds; to provide for other measures relating to the bonds; and to provide for the submission of the question of the issuance of the bonds to the electors of the state.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "Michigan education infrastructure and technology bond authoriza-
3 tion act".

4 Sec. 2. The state shall borrow a sum not to exceed
5 \$800,000,000.00 and issue the general obligation bonds of this
6 state, pledging the full faith and credit of the state for the
7 payment of principal and interest on the bonds, to finance

1 improvements at Michigan public schools for preschool and
2 kindergarten through twelfth grade.

3 Sec. 3. Bonds shall be issued in accordance with condi-
4 tions, methods, and procedures to be established by law.

5 Sec. 4. The proceeds of the sale of the bonds or any series
6 of the bonds, any premium and accrued interest received on the
7 delivery of the bonds, and any interest earned on the proceeds of
8 the bonds shall be deposited in the state treasury and credited
9 to the Michigan education infrastructure and technology bond fund
10 created in the Michigan education infrastructure and technology
11 bond implementation act and shall be disbursed from that fund
12 only for the purposes for which the bonds have been authorized,
13 including the expense of issuing the bonds. The proceeds of sale
14 of the bonds or any series of the bonds, any premium and accrued
15 interest received on the delivery of the bonds, and any interest
16 earned on the proceeds of the bonds shall be expended for the
17 purposes set forth in this act in a manner as provided by law.

18 Sec. 5. The question of borrowing a sum not to exceed
19 \$800,000,000.00 and the issuance of the general obligation bonds
20 of the state for the purposes set forth in this act shall be sub-
21 mitted to a vote of the electors of the state qualified to vote
22 on the question in accordance with section 15 of article IX of
23 the state constitution of 1963, at the next general election.
24 The question submitted to the electors shall be substantially as
25 follows:

26 "Shall the state of Michigan borrow a sum not to exceed
27 \$800,000,000.00 and issue general obligation bonds of the state,

1 pledging the full faith and credit of the state for the payment
2 of principal and interest on the bonds to finance improvements at
3 Michigan public schools for preschool and kindergarten through
4 twelfth grade, with the method of repayment of the bonds to be
5 from the general fund of this state?

6 Yes.....

7 No..... ."

8 Sec. 6. The secretary of state shall perform all acts nec-
9 essary to properly submit the question prescribed by section 5 to
10 the electors of this state qualified to vote on the question at
11 the next general November election.

12 Sec. 7. (1) After the issuance of the bonds authorized by
13 this act, there shall be appropriated from the general fund of
14 the state each fiscal year a sufficient amount to pay promptly,
15 when due, the principal of and interest on all outstanding bonds
16 authorized by this act and the costs incidental to the payment of
17 the bonds.

18 (2) The governor shall include the appropriation provided in
19 subsection (1) in the governor's annual executive budget recom-
20 mendations to the legislature.

21 Sec. 8. Bonds shall not be issued under this act unless the
22 question set forth in section 5 is approved by a majority vote of
23 the qualified electors voting on the question.