

SENATE BILL No. 47

February 5, 1991, Introduced by Senator FAXON and referred to the Committee on Finance.

A bill to authorize the issuance of general obligation bonds of the state, and to pledge the full faith and credit of the state for the payment of principal and interest on the bonds, to aid cultural institutions and organizations; 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 cultural bond authorization act".

3 Sec. 2. As used in this act, "bond proceeds" means the pro-
4 ceeds of the sale of bonds under this act or any series of the
5 bonds, any premium and accrued interest received on the delivery
6 of the bonds, and any interest earned on the proceeds of the
7 bonds.

1 Sec. 3. (1) The state shall borrow a sum not to exceed
 2 \$300,000,000.00 and issue the general obligation bonds of this
 3 state, pledging the full faith and credit of the state for the
 4 payment of principal and interest on the bonds, to finance capi-
 5 tal needs of, and to otherwise assist, nonprofit cultural insti-
 6 tutions and organizations as follows:

7	Art institutions.....	\$85,000,000.00
8	Endowment fund for nonprofit cultural insti-	
9	tutions and organizations.....	\$50,000,000.00
10	Revolving loan fund for nonprofit cultural	
11	institutions and organizations.....	\$25,000,000.00
12	Science, historic, and technological museums.	\$40,000,000.00
13	Public libraries.....	\$40,000,000.00
14	Historic preservation.....	\$25,000,000.00
15	Public broadcasting.....	\$15,000,000.00
16	Art in public places.....	\$10,000,000.00
17	Zoological parks.....	\$10,000,000.00

18 (2) Bond proceeds shall be distributed only as matching
 19 funds as provided by law. This subsection does not apply to a
 20 loan from the revolving loan fund.

21 Sec. 4. Bonds shall not be issued under this act unless the
 22 question set forth in section 6 is approved by a majority vote of
 23 the qualified electors voting on the question. Bonds shall be
 24 issued in accordance with conditions, methods, and procedures as
 25 established by law.

26 Sec. 5. Bond proceeds shall be deposited in the state
 27 treasury and credited to the cultural bond fund created in the

1 cultural bond implementation act and shall be disbursed from that
 2 fund only for the purposes for which the bonds have been autho-
 3 rized, including the expense of issuing the bonds. Bond proceeds
 4 shall be expended for the purposes set forth in this act in a
 5 manner as provided by law.

6 Sec. 6. The question of borrowing a sum not to exceed
 7 \$300,000,000.00 and the issuance of the general obligation bonds
 8 of the state for the purposes set forth in this act shall be sub-
 9 mitted to a vote of the electors of the state qualified to vote
 10 on the question in accordance with section 15 of article IX of
 11 the state constitution of 1963, at the next general election.
 12 The question submitted to the electors shall be substantially as
 13 follows:

14 "Shall the state of Michigan borrow a sum not to exceed
 15 \$300,000,000.00 and issue general obligation bonds of the state,
 16 pledging the full faith and credit of the state for the payment
 17 of principal and interest on the bonds, the method of repayment
 18 of the bonds to be from the general fund of this state, to
 19 finance capital needs of, and to otherwise assist, nonprofit cul-
 20 tural institutions and organizations, as follows:

21	Art institutions.....	\$85,000,000.00
22	Endowment fund for nonprofit cultural insti-	
23	tutions and organizations.....	\$50,000,000.00
24	Revolving loan fund for nonprofit cultural	
25	institutions and organizations.....	\$25,000,000.00
26	Science, historic, and technological museums.	\$40,000,000.00

1 Public libraries..... \$40,000,000.00
 2 Historic preservation..... \$25,000,000.00
 3 Public broadcasting..... \$15,000,000.00
 4 Art in public places..... \$10,000,000.00
 5 Zoological parks..... \$10,000,000.00

6 Yes ____

7 No ____."

8 Sec. 7. The secretary of state shall perform all acts nec-
 9 essary to properly submit the question prescribed by section 6 to
 10 the electors of this state qualified to vote on the question at
 11 the next general November election.

12 Sec. 8. (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 his or her annual executive budget recommenda-
 20 tions to the legislature.