

SENATE BILL No. 1082

February 5, 2002, Introduced by Senator SIKKEMA and referred to the Committee on Finance.

A bill to amend 1947 PA 235, entitled

"An act to regulate the ownership, extension, improvement and operation of public water and sewage disposal systems lying within 2 or more public corporations; to authorize the acquisition, by any public corporation, of that part of a public water or sewage disposal system lying within its boundaries; and to provide for the payment and security of revenue bonds issued for the construction, acquisition, extension and improvement of such systems,"

by amending section 6 (MCL 123.336).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 6. (1) If there ~~be~~ ARE outstanding revenue bonds
2 issued for the acquisition, construction, extension, or improve-
3 ment of ~~such~~ THE system, ~~such~~ THE bonds may be retired either
4 by the issue of joint refunding bonds on behalf of all the public
5 corporations by concurrent ordinances of their respective legis-
6 lative or governing bodies, or by the apportionment of the
7 outstanding indebtedness among the several public corporations

1 and assumption by each of its proportion ~~thereof~~ OF
2 INDEBTEDNESS, or the issue by each of revenue refunding bonds or
3 other obligations for its proportion. Unless otherwise provided
4 by contract, the outstanding indebtedness, if ~~such~~ THE plan of
5 refunding or assumption ~~shall be~~ IS adopted by either public
6 corporation, and if there ~~be non-callable~~ ARE NONCALLABLE bonds
7 the owners of which do not consent to ~~the~~ surrender ~~thereof~~
8 for redemption, exchange, or indorsement, the plan may neverthe-
9 less be made effective if provision ~~be~~ IS made for the subordi-
10 nation of the refunding or assumed bonds to those not consenting
11 and for a separate bond and interest redemption fund for ~~such~~
12 THE non-consenting bonds and the deposit ~~therein~~ of all money
13 required by the ordinance under which the bonds were originally
14 issued for the payment of the non-consenting bonds and reserves
15 ~~therefor,~~ before any provision is made for the payment of the
16 refunding or assumed bonds or reserves. ~~therefor.~~

17 (2) BONDS ISSUED UNDER THIS ACT, EXCLUDING REVENUE BONDS,
18 ARE SUBJECT TO THE REVISED MUNICIPAL FINANCE ACT, 2001 PA 34,
19 MCL 141.2101 TO 141.2821.