

Act No. 289
Public Acts of 2002
Approved by the Governor
May 8, 2002
Filed with the Secretary of State
May 9, 2002
EFFECTIVE DATE: May 9, 2002

**STATE OF MICHIGAN
91ST LEGISLATURE
REGULAR SESSION OF 2002**

Introduced by Senator Sanborn

ENROLLED SENATE BILL No. 988

AN ACT to amend 2000 PA 147, entitled "An act to authorize certain governmental units to issue notes or bonds for planning for the acquisition, construction, improvement, or installation of safe drinking water facilities; to provide security for the payment of the principal of and interest on the notes or bonds; and to prescribe the powers and duties of certain governmental units," by amending sections 3 and 4 (MCL 141.1453 and 141.1454).

The People of the State of Michigan enact:

Sec. 3. Subject to this act, a governmental unit may issue notes or bonds and use the proceeds of the notes or bonds for planning for the acquisition, construction, improvement, or installation of real or personal property comprising all or a portion of a community water supply or noncommunity water supply. For any governmental unit, the aggregate principal amount of all notes and bonds issued under this act less the principal amount used by the governmental unit to purchase notes or bonds issued by another governmental unit under this act shall not exceed \$100,000.00. The notes or bonds issued under this act shall be sold to the Michigan municipal bond authority or to another governmental unit if the other governmental unit purchases the notes or bonds with proceeds of notes or bonds issued under this act and sold to the Michigan municipal bond authority. The notes or bonds issued under this act are subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821. Each governmental unit is authorized to use proceeds of notes or bonds issued by it under this act and sold to the Michigan municipal bond authority to purchase notes or bonds issued under this act by any other governmental unit.

Sec. 4. Notes or bonds issued under this act shall be authorized by a resolution of the governing body of the governmental unit, which may pledge the full faith and credit of the governmental unit to the payment of the principal of and interest on the notes or bonds. The resolution of the governing body of the governmental unit authorizing the issuance of notes or bonds under this act may authorize the governmental unit to enter into loan agreements, security agreements, pledge agreements, including, but not limited to, the pledge of water supply revenues, mortgages, assignments, or other agreements determined to be necessary to the issuance of the notes or bonds and may authorize the governmental unit to use proceeds of the notes or bonds sold to the Michigan municipal bond authority to purchase notes or bonds issued under this act by any other governmental unit.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Sam E. Randall

Clerk of the House of Representatives.

Approved _____

Governor.