

Act No. 381
Public Acts of 2002
Approved by the Governor
May 24, 2002
Filed with the Secretary of State
May 24, 2002
EFFECTIVE DATE: May 24, 2002

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

Introduced by Senator Smith

ENROLLED SENATE BILL No. 1171

AN ACT to amend 1982 PA 220, entitled "An act to create a Michigan family farm development authority; to define the powers and duties of the authority; to authorize the making and purchase of loans, deferred payment loans, and grants to certain qualified beginning farmers; to provide tax exemptions; to provide for the issuance and purchase of notes and bonds; to provide for the establishment of funds; and to prescribe criminal penalties," by amending section 13 (MCL 285.263), as amended by 1983 PA 68.

The People of the State of Michigan enact:

Sec. 13. (1) The authority may issue its negotiable bonds and notes in a principal amount, which in the opinion of the authority is necessary to provide sufficient funds for achieving its corporate purposes, the payment of interest on bonds and notes of the authority, the establishment of reserves to secure bonds and notes, and all other expenditures of the authority incident to and necessary or convenient to carry out its corporate purposes and powers.

(2) The authority may issue renewal notes, issue bonds to pay notes, and if it determines refunding expedient, refund bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and issue bonds partly to refund bonds then outstanding and partly for any other purpose. The refunding bonds shall be sold and the proceeds applied to the purchase, redemption, or payment of the bonds to be refunded.

(3) Except as may otherwise be expressly provided by the authority, every issue of its notes or bonds shall be general obligations of the authority payable out of revenues or money of the authority, subject only to agreements with the holders of particular notes or bonds pledging any particular receipts or revenues.

(4) Whether or not the notes or bonds are of a form or character as to be negotiable instruments under the uniform commercial code, 1962 PA 174, MCL 440.1101 to 440.11102, the notes or bonds shall be and are hereby made negotiable instruments within the meaning of and for all the purposes of the uniform commercial code, subject only to the provisions of the notes or bonds for registration.

(5) Bonds and notes issued under this act are not subject to the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

(6) The issuance of bonds and notes under this act is subject to the agency financing reporting act.

This act is ordered to take immediate effect.

Carol Morey Viventi

Secretary of the Senate.

Janey E. Randall

Clerk of the House of Representatives.

Approved

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Governor.