

HOUSE BILL No. 4118

January 30, 2003, Introduced by Rep. Ward and referred to the Committee on Local Government and Urban Policy.

A bill to amend 2000 PA 321, entitled
"Recreational authorities act,"
by amending section 25 (MCL 123.1155).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 25. (1) An authority may borrow money and issue its
2 negotiable bonds and notes for the purpose of refunding
3 outstanding debt obligations of the district by resolution of the
4 board, without submitting the question to the electors of the
5 authority.

6 (2) Refunding bonds or the refunding part of a bond issue
7 shall be considered to be within the 2-mill limitation of section
8 21(2).

9 (3) An authority may borrow money and issue bonds or notes
10 for refunding all or part of existing bonded or note indebtedness
11 only if the net present value of the principal and interest to be

1 paid on the refunding bonds or notes, excluding the cost of
2 issuance, will be less than ~~the net present value of the~~
3 ~~principal and interest to be paid on the bonds or notes being~~
4 ~~refunded~~ **5% of the assessed property value of the district**, as
5 calculated using a method approved by the department of
6 treasury.