

SENATE SUBSTITUTE FOR HOUSE SUBSTITUTE FOR  
SENATE BILL NO. 1342

A bill to amend 1966 PA 331, entitled  
"Community college act of 1966,"  
(MCL 389.1 to 389.195) by amending the title, as amended by 1998 PA  
153, and by adding chapter 13 to part 2.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

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TITLE

An act to revise and consolidate the laws relating to  
community colleges; to provide for the creation of community  
college districts; to provide a charter for such districts; to  
provide for the government, control and administration of such  
districts; to provide for the election of a board of trustees; to  
define the powers and duties of the board of trustees; to provide  
for the assessment, levy, collection and return of taxes therefor;

1 TO AUTHORIZE COMMUNITY COLLEGE DISTRICTS TO OPERATE A NEW JOBS  
2 TRAINING PROGRAM, ENTER INTO CERTAIN TRAINING AGREEMENTS, AND ISSUE  
3 BONDS TO FINANCE THE TRAINING PROGRAM; to prescribe penalties and  
4 provide remedies; and to repeal acts and parts of acts.

5 PART 2

6 CHAPTER 13

7 NEW JOBS TRAINING PROGRAMS

8 SEC. 161. AS USED IN THIS CHAPTER:

9 (A) "AGREEMENT" MEANS A WRITTEN AGREEMENT BETWEEN AN EMPLOYER  
10 AND A COMMUNITY COLLEGE DISTRICT CONCERNING A PROJECT AND ANY  
11 AMENDMENTS TO THAT AGREEMENT.

12 (B) "BOND" OR "BONDS" MEANS BONDS, NOTES, OR OTHER DEBT ISSUED  
13 BY A COMMUNITY COLLEGE DISTRICT UNDER THIS CHAPTER.

14 (C) "EMPLOYER" MEANS A PERSON THAT IS ENGAGED IN BUSINESS AND  
15 HAS EMPLOYEES IN THIS STATE.

16 (D) "NEW JOB" MEANS A FULL-TIME JOB IN THIS STATE THAT MEETS  
17 ALL OF THE FOLLOWING:

18 (i) EXCEPT AS PROVIDED IN SUBPARAGRAPH (ii) OR (iii), IS A NEW,  
19 EXISTING, OR EXPANDING BUSINESS OF AN EMPLOYER.

20 (ii) IS NOT A JOB OF A RECALLED WORKER, A REPLACEMENT JOB, OR  
21 ANY OTHER JOB THAT EXISTED IN THE EMPLOYER'S BUSINESS WITHIN THE 1-  
22 YEAR PERIOD PRECEDING THE DATE OF AN AGREEMENT.

23 (iii) IS NOT A JOB THAT IS PART OF AN EMPLOYER'S BUSINESS  
24 OPERATION LOCATED IN A MUNICIPALITY IN THIS STATE, IF THAT JOB  
25 EXISTED IN A BUSINESS OPERATION OR A SUBSTANTIALLY SIMILAR BUSINESS  
26 OPERATION OF THE EMPLOYER FORMERLY LOCATED IN ANOTHER MUNICIPALITY  
27 IN THIS STATE, THE EMPLOYER MOVED THAT BUSINESS OPERATION OR

1 SUBSTANTIALLY SIMILAR BUSINESS OPERATION TO ITS CURRENT LOCATION,  
2 AND THE EMPLOYER CLOSED OR SUBSTANTIALLY REDUCED THAT FORMER  
3 BUSINESS OPERATION OR SUBSTANTIALLY SIMILAR BUSINESS OPERATION.

4 (iv) RESULTS IN A NET INCREASE IN EMPLOYMENT IN THIS STATE FOR  
5 THAT EMPLOYER.

6 (v) THE WAGE PAID FOR THE JOB IS EQUAL TO OR EXCEEDS 175% OF  
7 THE STATE MINIMUM WAGE.

8 (E) "NEW JOBS CREDIT FROM WITHHOLDING" MEANS THE CREDIT  
9 ESTABLISHED IN SECTION 163.

10 (F) "NEW JOBS TRAINING PROGRAM" OR "PROGRAM" MEANS THE PROJECT  
11 OR PROJECTS ESTABLISHED BY A COMMUNITY COLLEGE DISTRICT FOR THE  
12 CREATION OF JOBS BY PROVIDING EDUCATION AND TRAINING OR RETRAINING  
13 OF WORKERS FOR NEW JOBS.

14 (G) "PROGRAM COSTS" MEAN ALL NECESSARY AND INCIDENTAL COSTS OF  
15 PROVIDING PROGRAM SERVICES.

16 (H) "PROGRAM SERVICES" INCLUDE, BUT ARE NOT LIMITED TO, ANY OF  
17 THE FOLLOWING:

18 (i) TRAINING OR RETRAINING FOR NEW JOBS.

19 (ii) ADULT BASIC EDUCATION AND JOB-RELATED INSTRUCTION.

20 (iii) DEVELOPMENTAL, READINESS, AND REMEDIAL EDUCATION.

21 (iv) VOCATIONAL AND SKILL-ASSESSMENT SERVICES AND TESTING.

22 (v) TRAINING FACILITIES, EQUIPMENT, MATERIALS, AND SUPPLIES.

23 (vi) ADMINISTRATIVE EXPENSES FOR THE NEW JOBS TRAINING PROGRAM.

24 (vii) SUBCONTRACTED SERVICES WITH PUBLIC UNIVERSITIES AND  
25 COLLEGES IN THIS STATE, PRIVATE COLLEGES OR UNIVERSITIES, OR ANY  
26 FEDERAL, STATE, OR LOCAL DEPARTMENTS OR AGENCIES.

27 (viii) CONTRACTED OR PROFESSIONAL SERVICES.

1 (I) "PROJECT" MEANS A TRAINING ARRANGEMENT THAT IS THE SUBJECT  
2 OF AN AGREEMENT ENTERED INTO BETWEEN THE COMMUNITY COLLEGE DISTRICT  
3 AND AN EMPLOYER TO PROVIDE PROGRAM SERVICES.

4 (J) "STATE MINIMUM WAGE" MEANS THE MINIMUM HOURLY WAGE RATE  
5 UNDER THE MINIMUM WAGE LAW OF 1964, 1964 PA 154, MCL 408.381 TO  
6 408.398.

7 SEC. 162. (1) SUBJECT TO SUBSECTION (4), A COMMUNITY COLLEGE  
8 DISTRICT MAY ENTER INTO AN AGREEMENT TO ESTABLISH A PROJECT WITH AN  
9 EMPLOYER ENGAGED IN BUSINESS ACTIVITIES ANYWHERE IN THE STATE. AN  
10 AGREEMENT SHALL MEET SECTION 163 AND ALL OF THE FOLLOWING:

11 (A) SHALL PROVIDE FOR PROGRAM COSTS THAT MAY BE PAID FROM A  
12 NEW JOBS CREDIT FROM WITHHOLDING, TO BE RECEIVED OR DERIVED FROM  
13 NEW EMPLOYMENT RESULTING FROM THE PROJECT, OR FROM TUITION, STUDENT  
14 FEES, OR SPECIAL CHARGES FIXED BY THE BOARD OF TRUSTEES TO DEFRAY  
15 PROGRAM COSTS IN WHOLE OR IN PART.

16 (B) SHALL CONTAIN AN ESTIMATE OF THE NUMBER OF NEW JOBS TO BE  
17 CREATED BY THE EMPLOYER.

18 (C) SHALL INCLUDE A PROVISION THAT FIXES, ON A QUARTERLY  
19 BASIS, THE MINIMUM AMOUNT OF NEW JOBS CREDIT FROM WITHHOLDING TO BE  
20 PAID FOR PROGRAM COSTS.

21 (D) SHALL PROVIDE THAT IF THE AMOUNT RECEIVED FROM THE NEW  
22 JOBS CREDIT FROM WITHHOLDING IS INSUFFICIENT TO PAY PROGRAM COSTS,  
23 THE EMPLOYER AGREES TO PROVIDE MONEY, AT LEAST QUARTERLY, TO MAKE  
24 UP THE SHORTFALL, SO THAT THE COMMUNITY COLLEGE DISTRICT RECEIVES  
25 FOR EACH QUARTER THE MINIMUM AMOUNT OF NEW JOBS CREDIT FROM  
26 WITHHOLDING THAT IS PROVIDED IN THE AGREEMENT.

27 (E) SHALL INCLUDE THE EMPLOYER'S AGREEMENT TO MORTGAGE,

1 ASSIGN, PLEDGE, OR PLACE A LIEN ON ANY REAL OR PERSONAL PROPERTY AS  
2 REQUIRED BY THE COMMUNITY COLLEGE DISTRICT AS SECURITY FOR ITS  
3 OBLIGATIONS UNDER THE AGREEMENT.

4 (F) SHALL PROVIDE FOR PAYMENT OF AN ADMINISTRATIVE FEE TO THE  
5 COMMUNITY COLLEGE DISTRICT IN AN AMOUNT EQUAL TO 15% OF THE  
6 AGGREGATE AMOUNT TO BE PAID UNDER THE AGREEMENT.

7 (G) MAY CONTAIN OTHER PROVISIONS THE COMMUNITY COLLEGE  
8 DISTRICT CONSIDERS APPROPRIATE OR NECESSARY.

9 (2) ANY PAYMENTS REQUIRED TO BE MADE BY AN EMPLOYER UNDER AN  
10 AGREEMENT ARE A LIEN ON THE EMPLOYER'S BUSINESS PROPERTY, REAL AND  
11 PERSONAL, UNTIL PAID, HAVE EQUAL PRECEDENCE WITH PROPERTY TAXES,  
12 AND SHALL NOT BE DIVESTED BY A JUDICIAL SALE. PROPERTY SUBJECT TO  
13 THE LIEN ESTABLISHED IN THIS SUBSECTION MAY BE SOLD FOR SUMS DUE  
14 AND DELINQUENT AT A TAX SALE, WITH THE SAME FORFEITURES, PENALTIES,  
15 AND CONSEQUENCES AS FOR THE NONPAYMENT OF PROPERTY TAXES. THE  
16 PURCHASER AT TAX SALE OBTAINS THE PROPERTY SUBJECT TO THE REMAINING  
17 PAYMENTS REQUIRED UNDER THE AGREEMENT.

18 (3) A COMMUNITY COLLEGE DISTRICT SHALL FILE A COPY OF AN  
19 AGREEMENT WITH THE DEPARTMENT OF TREASURY PROMPTLY AFTER ITS  
20 EXECUTION.

21 (4) A COMMUNITY COLLEGE DISTRICT SHALL NOT ENTER INTO ANY NEW  
22 AGREEMENTS AFTER DECEMBER 31, 2018.

23 SEC. 163. (1) IF ANY PART OF THE PROGRAM COSTS OF A NEW JOBS  
24 TRAINING PROGRAM ARE TO BE PAID FROM RECEIPT OF MONEY FROM A NEW  
25 JOBS CREDIT FROM WITHHOLDING, THE AGREEMENT SHALL CONTAIN ALL OF  
26 THE FOLLOWING PROVISIONS:

27 (A) THAT PROGRAM COSTS ARE TO BE PAID FROM MONEY RECEIVED FROM

1 A NEW JOBS CREDIT FROM WITHHOLDING.

2 (B) THAT THE NEW JOBS CREDIT FROM WITHHOLDING SHALL BE BASED  
3 ON SALARY AND WAGES PAID TO EMPLOYEES OF THE EMPLOYER IN THE NEW  
4 JOBS.

5 (C) THAT FOR EACH EMPLOYEE IN A NEW JOB, THE EMPLOYER SHALL  
6 EACH MONTH PAY THE AMOUNT REQUIRED TO BE DEDUCTED AND WITHHELD BY  
7 THE EMPLOYER UNDER SECTION 351 OF THE INCOME TAX ACT OF 1967, 281  
8 PA 1967, MCL 206.351, TO THE COMMUNITY COLLEGE DISTRICT IN THE SAME  
9 MANNER AS THE EMPLOYER RETURNS AND PAYS WITHHOLDING PAYMENTS TO THE  
10 REVENUE DIVISION OF THE DEPARTMENT OF TREASURY, AND THE COMMUNITY  
11 COLLEGE DISTRICT SHALL PAY THE AMOUNTS RECEIVED INTO A SPECIAL FUND  
12 TO PAY PROGRAM COSTS AND THE PRINCIPAL OF AND INTEREST ON ANY BONDS  
13 ISSUED BY THE COMMUNITY COLLEGE DISTRICT TO FINANCE OR REFINANCE  
14 THE PROJECT IN WHOLE OR IN PART.

15 (D) THAT THE COMMUNITY COLLEGE DISTRICT MAY IRREVOCABLY PLEDGE  
16 THE NEW JOBS CREDIT FROM WITHHOLDING, AND THE SPECIAL FUND INTO  
17 WHICH THE WITHHOLDINGS ARE PAID, FOR THE PAYMENT OF THE PRINCIPAL  
18 OF AND INTEREST ON BONDS ISSUED BY A COMMUNITY COLLEGE DISTRICT TO  
19 FINANCE OR REFINANCE THE PROJECT IN WHOLE OR IN PART.

20 (E) THAT FOR EACH NEW JOBS CREDIT FROM WITHHOLDING PAID TO A  
21 COMMUNITY COLLEGE DISTRICT UNDER SUBDIVISION (C), THE EMPLOYER  
22 SHALL CERTIFY TO THE DEPARTMENT OF TREASURY THAT THE PAYMENT WAS  
23 MADE PURSUANT TO AN AGREEMENT AND SHALL PROVIDE ANY OTHER  
24 INFORMATION REASONABLY REQUESTED BY THE DEPARTMENT OF TREASURY.

25 (F) ANY OTHER PROVISIONS REQUIRED BY THE COMMUNITY COLLEGE  
26 DISTRICT.

27 (2) AT THE END OF EACH CALENDAR QUARTER, A COMMUNITY COLLEGE

1 DISTRICT RECEIVING MONEY FROM A NEW JOBS CREDIT FROM WITHHOLDING  
2 SHALL CERTIFY TO THE DEPARTMENT OF TREASURY THE AMOUNT OF NEW JOBS  
3 CREDIT FROM WITHHOLDING EACH EMPLOYER WITH WHICH THE COMMUNITY  
4 COLLEGE DISTRICT HAS AN AGREEMENT HAS REMITTED TO THE COMMUNITY  
5 COLLEGE DISTRICT IN THAT CALENDAR QUARTER.

6 (3) BY APRIL 1 OF EACH YEAR, EACH COMMUNITY COLLEGE DISTRICT  
7 THAT RECEIVED MONEY FROM A NEW JOBS CREDIT FROM WITHHOLDING IN THE  
8 PRECEDING CALENDAR YEAR SHALL PROVIDE ALL OF THE FOLLOWING  
9 INFORMATION TO THE DEPARTMENT OF TREASURY FOR THE PRECEDING  
10 CALENDAR YEAR:

11 (A) THE NAME OF THE COMMUNITY COLLEGE DISTRICT.

12 (B) THE NAME OF EACH EMPLOYER WITH WHICH THE COMMUNITY COLLEGE  
13 DISTRICT HAS AN AGREEMENT, ORGANIZED BY MAJOR INDUSTRY GROUP UNDER  
14 THE NORTH AMERICAN INDUSTRY CLASSIFICATION SYSTEM PUBLISHED BY THE  
15 OFFICE OF MANAGEMENT AND BUDGET.

16 (C) THE AMOUNT OF MONEY FROM A NEW JOBS CREDIT FROM  
17 WITHHOLDING EACH EMPLOYER DESCRIBED IN SUBDIVISION (B) HAS REMITTED  
18 TO THE COMMUNITY COLLEGE DISTRICT.

19 (D) THE AMOUNT OF NEW JOBS TRAINING REVENUE BONDS THE  
20 COMMUNITY COLLEGE DISTRICT HAS AUTHORIZED, ISSUED, OR SOLD.

21 (E) THE TOTAL AMOUNT OF THE COMMUNITY COLLEGE DISTRICT'S DEBT  
22 RELATED TO AGREEMENTS AT THE END OF THE CALENDAR YEAR.

23 (F) THE NUMBER OF DEGREES OR CERTIFICATES AWARDED TO PROGRAM  
24 PARTICIPANTS IN THE CALENDAR YEAR.

25 (G) THE NUMBER OF INDIVIDUALS WHO ENTERED A PROGRAM AT THE  
26 COMMUNITY COLLEGE DISTRICT IN THE CALENDAR YEAR; WHO COMPLETED THE  
27 PROGRAM IN THE CALENDAR YEAR; AND WHO WERE ENROLLED IN A PROGRAM AT

1 THE END OF THE CALENDAR YEAR.

2 (H) THE NUMBER OF INDIVIDUALS WHO COMPLETED A PROGRAM AN  
3 EMPLOYER DESCRIBED IN SUBDIVISION (B) HIRED TO FILL NEW JOBS.

4 (I) ANY OTHER INFORMATION REASONABLY REQUESTED BY THE  
5 DEPARTMENT OF TREASURY.

6 SEC. 164. (1) SUBJECT TO SUBSECTION (16), BY RESOLUTION OF ITS  
7 BOARD OF TRUSTEES, A COMMUNITY COLLEGE DISTRICT MAY AUTHORIZE,  
8 ISSUE, AND SELL ITS NEW JOBS TRAINING REVENUE BONDS IN ANTICIPATION  
9 OF PAYMENTS TO BE RECEIVED PURSUANT TO AN AGREEMENT, SUBJECT TO THE  
10 REQUIREMENTS OF THIS CHAPTER, TO FINANCE COSTS OF NEW JOBS TRAINING  
11 PROGRAMS AND TO PAY COSTS OF ISSUING THOSE BONDS. THE BONDS SHALL  
12 BE PAYABLE IN THE MANNER AND ON THE TERMS AND CONDITIONS  
13 DETERMINED, OR WITHIN THE PARAMETERS SPECIFIED, BY THE BOARD IN THE  
14 RESOLUTION AUTHORIZING ISSUANCE OF THE BONDS. THE RESOLUTION  
15 AUTHORIZING THE BONDS SHALL CREATE A LIEN ON THE RECEIPTS FROM NEW  
16 JOBS CREDIT FROM WITHHOLDING TO BE RECEIVED BY THE COMMUNITY  
17 COLLEGE DISTRICT PURSUANT TO AN AGREEMENT OR AGREEMENTS THAT SHALL  
18 BE A STATUTORY LIEN AND SHALL BE A FIRST LIEN SUBJECT ONLY TO LIENS  
19 PREVIOUSLY CREATED. AS ADDITIONAL SECURITY, IN THE RESOLUTION  
20 AUTHORIZING THE BONDS, THE BOARD OF TRUSTEES MAY ALSO PLEDGE THE  
21 LIMITED TAX FULL FAITH AND CREDIT OF THE DISTRICT AND MAY AUTHORIZE  
22 AND ENTER INTO AN INSURANCE CONTRACT, AGREEMENT FOR LINES OF  
23 CREDIT, LETTER OF CREDIT, COMMITMENT TO PURCHASE OBLIGATIONS,  
24 REMARKETING AGREEMENT, REIMBURSEMENT AGREEMENT, TENDER AGREEMENT,  
25 OR ANY OTHER TRANSACTION NECESSARY TO PROVIDE SECURITY TO ASSURE  
26 TIMELY PAYMENT OF ANY BONDS.

27 (2) BONDS DESCRIBED IN SUBSECTION (1) SHALL BE AUTHORIZED BY



1 RESOLUTION OF THE BOARD OF TRUSTEES, AND SHALL BEAR THE DATE OR  
2 DATES, AND SHALL MATURE AT THE TIME OR TIMES, NOT EXCEEDING 20  
3 YEARS FROM THE DATE OF ISSUE, PROVIDED IN THE RESOLUTION. THE BONDS  
4 SHALL BEAR INTEREST AT THE RATE OR RATES, FIXED OR VARIABLE OR A  
5 COMBINATION OF FIXED AND VARIABLE, BE IN THE DENOMINATIONS, BE IN  
6 THE FORM, EITHER COUPON OR REGISTERED, CARRY THE REGISTRATION  
7 PRIVILEGES, BE EXECUTED IN THE MANNER, BE PAYABLE IN THE MEDIUM OF  
8 PAYMENT AND AT THE PLACE OR PLACES, AND BE SUBJECT TO THE TERMS OF  
9 REDEMPTION PROVIDED IN THE RESOLUTION OR RESOLUTIONS. THE BONDS OF  
10 THE COMMUNITY COLLEGE DISTRICT MAY BE SOLD AT A COMPETITIVE OR  
11 NEGOTIATED SALE AT PAR, PREMIUM, OR DISCOUNT AS DETERMINED IN THE  
12 AUTHORIZING RESOLUTION.

13 (3) A COMMUNITY COLLEGE DISTRICT MAY ISSUE BONDS DESCRIBED IN  
14 SUBSECTION (1) WITH RESPECT TO A SINGLE PROJECT OR MULTIPLE  
15 PROJECTS AS DETERMINED BY THE BOARD OF TRUSTEES IN THE RESOLUTION  
16 AUTHORIZING THE ISSUANCE OF THE BONDS. THE BOARD OF TRUSTEES MAY  
17 DETERMINE TO SELL THE BONDS IN CONJUNCTION WITH THE SALE OF BONDS  
18 BY ANOTHER COMMUNITY COLLEGE DISTRICT.

19 (4) ANY RESOLUTION AUTHORIZING ANY BONDS UNDER THIS SECTION,  
20 OR ANY ISSUE OF BONDS OF THOSE BONDS, MAY CONTAIN PROVISIONS  
21 CONCERNING ANY OF THE FOLLOWING, AND THOSE PROVISIONS ARE PART OF  
22 THE CONTRACT WITH THE HOLDERS OF THE BONDS:

23 (A) PLEDGING ALL OR ANY PART OF ANY FEES OR AVAILABLE FUNDS OF  
24 THE COMMUNITY COLLEGE DISTRICT, OR OTHER MONEY RECEIVED OR TO BE  
25 RECEIVED, TO SECURE THE PAYMENT OF THE BONDS OR OF ANY ISSUE OF  
26 BONDS, AND SUBJECT TO ANY AGREEMENTS WITH BONDHOLDERS AS MAY THEN  
27 EXIST.

1 (B) PLEDGING ALL OR ANY PART OF THE ASSETS OF THE COMMUNITY  
2 COLLEGE DISTRICT, INCLUDING MORTGAGES AND OBLIGATIONS SECURING THE  
3 ASSETS, TO SECURE THE PAYMENT OF THE BONDS OR OF ANY ISSUE OF  
4 BONDS, SUBJECT TO ANY AGREEMENTS WITH BONDHOLDERS AS MAY THEN  
5 EXIST.

6 (C) THE SETTING ASIDE OF RESERVES OR SINKING FUNDS AND THE  
7 REGULATION AND DISPOSITION OF RESERVES OR SINKING FUNDS.

8 (D) LIMITATIONS ON THE PURPOSE TO WHICH THE PROCEEDS OF SALE  
9 OF BONDS MAY BE APPLIED AND PLEDGING THE PROCEEDS TO SECURE THE  
10 PAYMENT OF THE BONDS OR OF ANY ISSUE OF BONDS.

11 (E) LIMITATIONS ON THE ISSUANCE OF ADDITIONAL BONDS; THE TERMS  
12 ON WHICH ADDITIONAL BONDS MAY BE ISSUED AND SECURED; AND THE  
13 REFUNDING OF OUTSTANDING OR OTHER BONDS.

14 (F) THE PROCEDURE, IF ANY, BY WHICH THE TERMS OF ANY CONTRACT  
15 WITH BONDHOLDERS MAY BE AMENDED OR ABROGATED, THE AMOUNT OF BONDS  
16 THE HOLDERS OF WHICH MUST CONSENT TO THE AMENDMENT OR ABROGATION,  
17 AND THE MANNER IN WHICH BONDHOLDERS MAY GIVE THAT CONSENT.

18 (G) VESTING IN A TRUSTEE OR TRUSTEES THE PROPERTY, RIGHTS,  
19 POWERS, AND DUTIES IN TRUST DETERMINED BY THE BOARD OF TRUSTEES OF  
20 THE COMMUNITY COLLEGE DISTRICT.

21 (H) ANY OTHER MATTERS THAT IN ANY WAY AFFECT THE SECURITY OR  
22 PROTECTION OF THE BONDS.

23 (I) DELEGATING TO AN OFFICER OR OTHER EMPLOYEE OF THE  
24 COMMUNITY COLLEGE DISTRICT, OR AN AGENT DESIGNATED BY THE COMMUNITY  
25 COLLEGE DISTRICT, THE POWER TO CAUSE THE ISSUE, SALE, AND DELIVERY  
26 OF THE BONDS WITHIN LIMITS ON THOSE BONDS ESTABLISHED BY THE  
27 COMMUNITY COLLEGE DISTRICT CONCERNING ANY OF THE FOLLOWING:

1 (i) THE FORM OF THE BONDS.

2 (ii) THE MAXIMUM INTEREST RATE OR RATES OF THE BONDS.

3 (iii) THE MATURITY DATE OR DATES OF THE BONDS.

4 (iv) THE PURCHASE PRICE OF THE BONDS.

5 (v) THE DENOMINATIONS OF THE BONDS.

6 (vi) THE REDEMPTION PREMIUMS OF THE BONDS.

7 (vii) THE NATURE OF THE SECURITY FOR THE BONDS.

8 (viii) ANY OTHER TERMS AND CONDITIONS CONCERNING ISSUANCE OF THE  
9 BONDS PRESCRIBED BY THE BOARD OF TRUSTEES OF THE COMMUNITY COLLEGE  
10 DISTRICT.

11 (5) ALL OF THE FOLLOWING APPLY TO ANY PLEDGE OF MONEY OR OTHER  
12 ASSETS MADE BY A COMMUNITY COLLEGE DISTRICT TO SECURE ANY BONDS OR  
13 ISSUE OF BONDS UNDER THIS SECTION:

14 (A) THE PLEDGE IS VALID AND BINDING FROM THE TIME WHEN THE  
15 PLEDGE IS MADE.

16 (B) THE MONEY OR OTHER ASSETS PLEDGED ARE IMMEDIATELY SUBJECT  
17 TO THE LIEN OF THE PLEDGE WHEN RECEIVED, WITHOUT ANY PHYSICAL  
18 DELIVERY OF THE MONEY OR ASSETS OR ANY FURTHER ACT.

19 (C) THE LIEN OF THE PLEDGE IS VALID AND BINDING AS AGAINST ALL  
20 PARTIES HAVING CLAIMS OF ANY KIND, IN TORT, CONTRACT, OR OTHERWISE,  
21 AGAINST THE COMMUNITY COLLEGE DISTRICT, WHETHER OR NOT THOSE  
22 PARTIES HAVE NOTICE OF THE LIEN.

23 (D) THE COMMUNITY COLLEGE DISTRICT IS NOT REQUIRED TO RECORD  
24 THE RESOLUTION OR ANY OTHER INSTRUMENT CREATING THE PLEDGE.

25 (6) THE BOARD OF TRUSTEES OF A COMMUNITY COLLEGE DISTRICT AND  
26 ANY PERSON EXECUTING BONDS SUBJECT TO THIS SECTION ARE NOT  
27 PERSONALLY LIABLE ON THE BONDS OR SUBJECT TO ANY PERSONAL LIABILITY

1 OR ACCOUNTABILITY BY REASON OF THE ISSUANCE OF THE BONDS.

2 (7) A COMMUNITY COLLEGE DISTRICT ISSUING BONDS UNDER THIS  
3 SECTION MAY PURCHASE BONDS OF THE COMMUNITY COLLEGE DISTRICT OUT OF  
4 ANY FUNDS AVAILABLE FOR THAT PURPOSE, SUBJECT TO ANY AGREEMENTS  
5 WITH BONDHOLDERS IN EFFECT AT THAT TIME. UNLESS THE BOARD OF THE  
6 COMMUNITY COLLEGE DISTRICT DETERMINES BY RESOLUTION THAT THE  
7 PAYMENT OF A HIGHER PRICE IS IN THE BEST INTERESTS OF THE COMMUNITY  
8 COLLEGE DISTRICT, THE COMMUNITY COLLEGE SHALL NOT PURCHASE THOSE  
9 BONDS AT A PRICE THAT EXCEEDS 1 OF THE FOLLOWING, AS APPLICABLE:

10 (A) IF THE BONDS ARE REDEEMABLE AT THE TIME OF PURCHASE, THE  
11 REDEMPTION PRICE APPLICABLE AT THAT TIME PLUS ACCRUED INTEREST TO  
12 THE NEXT INTEREST PAYMENT DATE ON THE BONDS.

13 (B) IF THE BONDS ARE NOT REDEEMABLE AT THE TIME OF PURCHASE,  
14 THE REDEMPTION PRICE APPLICABLE ON THE FIRST DATE AFTER THE  
15 PURCHASE ON WHICH THE BONDS ARE REDEEMABLE, PLUS ACCRUED INTEREST  
16 TO THAT DATE.

17 (8) BONDS ISSUED UNDER THIS SECTION ARE NOT SUBJECT TO THE  
18 REVISED MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2101 TO  
19 141.2821, EXCEPT THAT BONDS ISSUED UNDER THIS SECTION ARE SUBJECT  
20 TO THE MAXIMUM RATE PERMITTED UNDER SECTION 305 OF THE REVISED  
21 MUNICIPAL FINANCE ACT, 2001 PA 34, MCL 141.2305.

22 (9) THE ISSUANCE OF BONDS UNDER THIS SECTION IS SUBJECT TO THE  
23 AGENCY FINANCING REPORTING ACT, 2002 PA 470, MCL 129.171 TO  
24 129.177.

25 (10) BONDS ISSUED UNDER THIS SECTION SHALL NOT BE CONSIDERED  
26 TO BE WITHIN ANY LIMITATION OF OUTSTANDING DEBT LIMIT APPLICABLE TO  
27 THE COMMUNITY COLLEGE DISTRICT, INCLUDING ANY LIMITATION CONTAINED

1 IN SECTION 122, BUT SHALL BE CONSIDERED AS AUTHORIZED IN ADDITION  
2 TO ANY LIMITATION OF OUTSTANDING DEBT LIMIT APPLICABLE TO THE  
3 COMMUNITY COLLEGE DISTRICT.

4 (11) BY RESOLUTION OF ITS BOARD OF TRUSTEES, A COMMUNITY  
5 COLLEGE DISTRICT MAY REFUND ALL OR ANY PART OF ITS OUTSTANDING  
6 BONDS ISSUED UNDER THIS SECTION BY ISSUING REFUNDING BONDS. A  
7 COMMUNITY COLLEGE DISTRICT MAY ISSUE REFUNDING BONDS WHETHER THE  
8 OUTSTANDING BONDS TO BE REFUNDED HAVE OR HAVE NOT MATURED, ARE OR  
9 ARE NOT REDEEMABLE ON THE DATE OF ISSUANCE OF THE REFUNDING BONDS,  
10 OR ARE OR ARE NOT SUBJECT TO REDEMPTION BEFORE MATURITY.

11 (12) A COMMUNITY COLLEGE DISTRICT MAY ISSUE REFUNDING BONDS  
12 UNDER SUBSECTION (11) IN A PRINCIPAL AMOUNT GREATER THAN THE  
13 PRINCIPAL AMOUNT OF THE OUTSTANDING BONDS TO BE REFUNDED IF  
14 NECESSARY TO EFFECT THE REFUNDING UNDER THE REFUNDING PLAN.

15 (13) A COMMUNITY COLLEGE DISTRICT MAY USE THE PROCEEDS OF  
16 REFUNDING BONDS ISSUED UNDER SUBSECTION (11) TO PAY INTEREST  
17 ACCRUED, OR TO ACCRUE, TO THE EARLIEST OR ANY SUBSEQUENT DATE OF  
18 REDEMPTION, PURCHASE, OR MATURITY OF THE OUTSTANDING BONDS TO BE  
19 REFUNDED, REDEMPTION PREMIUM, IF ANY, AND ANY COMMISSION, SERVICE  
20 FEE, AND OTHER EXPENSE NECESSARY TO BE PAID IN CONNECTION WITH THE  
21 OUTSTANDING BONDS TO BE REFUNDED. A COMMUNITY COLLEGE DISTRICT MAY  
22 ALSO USE THE PROCEEDS OF REFUNDING BONDS TO PAY PART OF THE COST OF  
23 ISSUANCE OF THE REFUNDING BONDS, INTEREST ON THE REFUNDING BONDS, A  
24 RESERVE FOR THE PAYMENT OF PRINCIPAL, INTEREST, AND REDEMPTION  
25 PREMIUMS ON THE REFUNDING BONDS, AND OTHER NECESSARY INCIDENTAL  
26 EXPENSES, INCLUDING, BUT NOT LIMITED TO, PLACEMENT FEES AND FEES OR  
27 CHARGES FOR INSURANCE, LETTERS OF CREDIT, LINES OF CREDIT, OR

1 COMMITMENTS TO PURCHASE THE OUTSTANDING BONDS TO BE REFUNDED.

2 (14) A COMMUNITY COLLEGE DISTRICT MAY APPLY THE PROCEEDS OF  
3 REFUNDING BONDS ISSUED UNDER SUBSECTION (11) AND OTHER AVAILABLE  
4 MONEY TO PAYMENT OF THE PRINCIPAL, INTEREST, OR REDEMPTION  
5 PREMIUMS, IF ANY, ON THE REFUNDED OUTSTANDING BONDS AT MATURITY OR  
6 ON ANY PRIOR REDEMPTION DATE OR MAY DEPOSIT THE PROCEEDS OR OTHER  
7 MONEY IN TRUST TO USE TO PURCHASE AND DEPOSIT IN TRUST DIRECT  
8 OBLIGATIONS OF THE UNITED STATES, DIRECT NONCALLABLE AND  
9 NONPREPAYABLE OBLIGATIONS THAT ARE UNCONDITIONALLY GUARANTEED BY  
10 THE UNITED STATES GOVERNMENT AS TO FULL AND TIMELY PAYMENT OF  
11 PRINCIPAL AND INTEREST, NONCALLABLE AND NONPREPAYABLE COUPONS FROM  
12 THOSE OBLIGATIONS THAT ARE STRIPPED PURSUANT TO UNITED STATES  
13 TREASURY PROGRAMS, AND RESOLUTION FUNDING CORPORATION BONDS AND  
14 STRIPS, THE PRINCIPAL AND INTEREST ON WHICH WHEN DUE, TOGETHER WITH  
15 OTHER AVAILABLE MONEY, WILL PROVIDE FUNDS SUFFICIENT TO PAY  
16 PRINCIPAL, INTEREST, AND REDEMPTION PREMIUMS, IF ANY, ON THE  
17 REFUNDED OUTSTANDING BONDS AS THE REFUNDED OUTSTANDING BONDS BECOME  
18 DUE, WHETHER BY MATURITY OR ON A PRIOR REDEMPTION DATE, AS PROVIDED  
19 IN THE AUTHORIZING RESOLUTION.

20 (15) A COMMUNITY COLLEGE DISTRICT IS AUTHORIZED TO PAY ALL OR  
21 PART OF THE COSTS OF NEW JOBS TRAINING PROGRAMS OUT OF FUNDS OF THE  
22 COMMUNITY COLLEGE DISTRICT, INCLUDING SELF-FUNDING METHODS. THE USE  
23 OF FUNDS OF THE COMMUNITY COLLEGE DISTRICT AND SELF-FUNDING METHODS  
24 TO PAY THE COSTS OF NEW JOBS TRAINING PROGRAMS SHALL BE CONSIDERED  
25 AN AUTHORIZED EXPENDITURE OF PUBLIC FUNDS AND SHALL NOT BE  
26 CONSTRUED AS AN INVESTMENT.

27 (16) A COMMUNITY COLLEGE DISTRICT SHALL NOT AUTHORIZE, ISSUE,

Senate Bill No. 1342 (S-1) as amended December 10, 2008

OR SELL ANY NEW JOBS TRAINING REVENUE BONDS AFTER DECEMBER 31,  
2018.

SEC. 165. BONDS AND NOTES ISSUED BY A COMMUNITY COLLEGE  
DISTRICT UNDER THIS CHAPTER AND THE INTEREST ON AND INCOME FROM  
THOSE BONDS AND NOTES ARE EXEMPT FROM TAXATION BY THIS STATE OR A  
POLITICAL SUBDIVISION OF THIS STATE.

SEC. 166. THE AGGREGATE OUTSTANDING OBLIGATION OF ALL  
AGREEMENTS ENTERED INTO UNDER THIS CHAPTER SHALL NOT EXCEED  
[\$50,000,000.00] IN ANY CALENDAR YEAR.

Enacting section 1. This amendatory act does not take effect  
unless House Bill No. 6185 of the 94th Legislature is enacted into  
law.