

HOUSE BILL NO. 6355

November 12, 2020, Introduced by Reps. Coleman and Steven Johnson and referred to the Committee on Government Operations.

A bill to amend 1963 PA 62, entitled
"Industrial development revenue bond act of 1963,"
by amending section 5 (MCL 125.1255).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 5. (1) Any resolution authorizing the issuance of bonds
2 under this act may contain covenants as to **1 or more of the**
3 following:

4 (a) The use and disposition of the rentals received under the

1 agreement, including the creation and maintenance of reserves.

2 (b) The issuance of other or additional bonds payable from the
3 income and revenues from the industrial building and site and any
4 industrial machinery and equipment.

5 (c) The maintenance and repair costs of the industrial
6 building and site and any industrial machinery and equipment, which
7 costs may be assumed by the lessee, person, firm, or corporation,
8 in which event no provision need be made for rental payments to
9 meet ~~said~~**the** costs.

10 (d) The insurance to be carried ~~thereon~~**on the bonds** and the
11 use and disposition of insurance ~~moneys~~**money**.

12 (e) The terms and conditions upon which the holder of the
13 bonds, or any portion ~~thereof~~**of the bonds** or any trustees,
14 ~~therefor~~, shall be entitled to the appointment of a receiver by the
15 circuit court, which court shall have jurisdiction in ~~such~~**the**
16 proceedings, and which receiver may enter and take possession of
17 the industrial building and site and any industrial machinery and
18 equipment and lease and maintain it, prescribe rentals, and
19 collect, receive, and apply all income and revenues thereafter
20 arising therefrom in the same manner and to the same extent as the
21 municipality might do.

22 (2) Any resolution authorizing the issuance of bonds under
23 this act may provide that the principal of and interest on any
24 bonds issued shall be secured by a mortgage or deed of trust
25 covering the industrial building and site and any industrial
26 machinery and equipment for which the bonds are issued and may
27 include any additions, improvements, or extensions thereafter made.
28 The mortgage or deed of trust may contain ~~such~~ covenants and
29 agreements to properly safeguard the bonds as may be provided for

1 in the resolution authorizing the bonds but not inconsistent with
 2 this act and shall be executed in the manner provided in the
 3 resolution. The resolution may provide for the appointment of 1 or
 4 more trustees for bondholders, and any ~~such~~ trustee may be an
 5 individual or corporation domiciled or located within or without
 6 the state and may be given appropriate powers whether with or
 7 without the execution of a mortgage or deed of trust covering the
 8 industrial building or site or industrial machinery and equipment.

9 (3) The provisions of this act and any resolution and any
 10 mortgage or deed of trust shall continue in effect until the
 11 principal of and the interest on the bonds has been fully paid, and
 12 the duties of the municipality and its governing body and officers
 13 under this act and any resolution and any mortgage or deed of trust
 14 shall be enforceable by any bondholder by mandamus, foreclosure of
 15 the mortgage or deed of trust, or other appropriate action in any
 16 court of competent jurisdiction.

17 (4) The resolution authorizing the bond shall provide that the
 18 bonds shall contain a recital that they are issued pursuant to this
 19 act, which recital shall be conclusive evidence of their validity
 20 and of the regularity of their issuance.

21 (5) ~~Any~~ **Through December 31, 2021, any** resolution authorizing
 22 the issuance of bonds under this act shall not be effective until
 23 publication once in a newspaper of general circulation within the
 24 municipality. **Beginning January 1, 2022, any resolution authorizing**
 25 **the issuance of bonds under this act shall not be effective until**
 26 **the governing body of the municipality posts notice as provided in**
 27 **the local government public notice act.**

28 Enacting section 1. This amendatory act does not take effect
 29 unless Senate Bill No. ____ or House Bill No. 6440 (request no.

1 02449'19) of the 100th Legislature is enacted into law.