

UNIFIED VOLUME LIMITATION ALLOCATION ACT (EXCERPT)
Act 496 of 1988

12.116 Requests for allocations; order of consideration; approval or denial; reason for denial; steps to maintain orderly application and allocation process; instances in which request may be denied; when request considered filed or received; issuer seeking allocation not in excess of unallocated unified volume limitation.

Sec. 6. (1) Except as provided by subsection (3), the treasurer shall consider all completed requests for allocations pursuant to section 5 in the order of filing.

(2) The treasurer shall either approve or deny a request for allocation from the unified volume limitation for a particular year that is received before November 1 of the year for which an allocation is sought and between the first and tenth, the eleventh and twentieth, or the twenty-first and the last day of the month, inclusive of the starting and ending dates of the period, by an order issued within 2 business days after the last day of the period in which the request is received. The treasurer shall approve or deny a request for allocation received in November or December by an order issued by the treasurer within 10 calendar days after receipt of the request. An order denying a request for an allocation shall state the reason for the denial.

(3) If the treasurer determines that facts and circumstances exist whereby the unified volume limitation creates an unreasonable constraint upon state or municipal issuers, the treasurer shall take the steps necessary to maintain an orderly application and allocation process. The steps may include revision of the monthly installment limits prescribed by section 4 and of the application and allocation procedures and may further include, but are not limited to, consideration of the following factors to prioritize the allotment and allocation of the unified volume limitation:

(a) Financing of facilities that will provide or create jobs that enhance the state's economic base.

(b) Financing of facilities that will create net new jobs in the state.

(c) Financing of facilities that will result in the leverage of other sources of capital or the leverage of net new jobs in the state.

(d) Financing of facilities that will contribute to the public health or safety of residents of the state or facilities that are traditionally considered a public purpose including, but not limited to, housing and municipal public works projects.

(4) The treasurer is not required to approve a request for an allocation and may deny a request in any of the following instances:

(a) The request was filed prior to December 1 of the calendar year immediately preceding the calendar year for which the allocation is sought.

(b) The request was filed prior to the completion of all public hearings required by state or federal law.

(c) If the unified volume limitation allotted pursuant to section 4 for the monthly or annual period for which an allocation is being requested is exhausted or if the allocation for the request would exceed the remaining portion of the unified volume limitation allotted pursuant to section 4 for the type of issuer for the monthly or annual period for which an allocation is being requested. This subdivision does not prohibit the treasurer from allocating an amount that is less than the full amount of an allocation request.

(5) The treasurer shall consider a request for an allocation that is incomplete or improperly completed or filed as filed at the time the request is completed or corrected. A request that is not approved or that is denied pursuant to subsection (4)(c) because the unallocated monthly installment of the unified volume limitation allotted pursuant to section 4 for that month for which an allocation is sought is insufficient to satisfy that request shall be considered as a request received on the first day of the immediately following month or shall receive priority consideration for allocation when a sufficient portion of the uniform volume limitation becomes available for allocation for that request. The denial of or the refusal to approve a request pursuant to subsection (4)(c) does not prohibit allocations to and acceptance of a request from an issuer seeking an allocation that is not in excess of the unallocated unified volume limitation.

History: 1988, Act 496, Eff. Mar. 30, 1989.

Compiler's note: In the second sentence of subsection (5), the words "uniform volume limitation" evidently should read "unified volume limitation".