

THE REVENUE BOND ACT OF 1933 (EXCERPT)
Act 94 of 1933

141.112 Bonds; discount; sale price; interest; competitive or negotiated sale; notice; publication.

Sec. 12. (1) Bonds issued under this act may be sold at a discount but may not be sold at a price that would make the interest cost on the money borrowed after deducting any premium or adding any discount exceed 10% per annum or the maximum rate permitted by the revised municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821, whichever is greater, and may bear a stated rate of interest or no rate of interest.

(2) A public corporation may sell bonds at a competitive sale or a negotiated sale as determined in the authorizing ordinance. If a public corporation determines to sell a bond at a negotiated sale, the governing body shall expressly state the method and reasons for choosing a negotiated sale instead of a competitive sale in the resolution or ordinance authorizing the issuance or sale of the bonds.

(3) Bonds sold at a competitive sale shall not be sold until notice by publication at least 7 days before the sale in a publication printed in the English language and circulated in this state that carries as a part of its regular service notices of the sale of municipal bonds.

(4) A public corporation shall award a bond sold at a competitive sale to the bidder whose bid meets all specifications and requirements and results in the lowest interest cost to the public corporation, unless all bids are rejected.

(5) A public corporation may accept bids for the purchase of a bond made in person, by mail, by facsimile, by electronic means, or by any other means authorized by the public corporation.

History: 1933, Act 94, Imd. Eff. May 26, 1933;—Am. 1941, Act 210, Imd. Eff. June 16, 1941;—Am. 1943, Act 219, Imd. Eff. Apr. 20, 1943;—Am. 1946, 1st Ex. Sess., Act 23, Eff. June 7, 1946;—Am. 1947, Act 204, Imd. Eff. June 13, 1947;—CL 1948, 141.112;—Am. 1949, Act 244, Eff. Sept. 23, 1949;—Am. 1968, Act 68, Imd. Eff. May 28, 1968;—Am. 1973, Act 40, Imd. Eff. June 29, 1973;—Am. 1974, Act 27, Imd. Eff. Feb. 26, 1974;—Am. 1978, Act 216, Imd. Eff. June 5, 1978;—Am. 1982, Act 485, Imd. Eff. Dec. 30, 1982;—Am. 1983, Act 76, Imd. Eff. June 6, 1983;—Am. 1985, Act 26, Imd. Eff. May 31, 1985;—Am. 2002, Act 465, Imd. Eff. June 21, 2002.