

TOXIC SUBSTANCE LOAN REPAYMENT (EXCERPT)
Act 459 of 1982

***** 325.855 THIS SECTION DOES NOT APPLY AFTER JULY 7, 1986: See 325.856b *****

325.855 Repayment of note of indebtedness executed under former MCL 325.831 to 325.845; schedule of repayment; assessment of interest; interest not to accumulate during suspension of repayment.

Sec. 5. (1) A note of indebtedness executed under former Act No. 273 of the Public Acts of 1978 shall be repaid within 25 years after issuance of the warrant. The department may provide a schedule for repayment during the 25-year period or may use the schedule for repayment provided by the state toxic substance loan commission under former Act No. 273 of the Public Acts of 1978. The schedule of repayment may make allowances for the financial condition of the loan recipient.

(2) Interest on a loan shall not be assessed for the first 5 years from the issuance of the warrant. After the fifth year and through the tenth year, interest shall be assessed at an annual rate of 3%. After the tenth year, interest shall be assessed at an annual rate of 2 percentage points less than the average annual effective prime lending rate for commercial banks as reported by the federal reserve system. However, interest shall not accumulate during the 5-year suspension of repayment under section 6.

History: 1982, Act 459, Eff. Mar. 30, 1983.

Compiler's note: Act 273 of 1978, referred to in this section, was repealed by Act 459 of 1982.