

STATE LOANS TO SCHOOL DISTRICTS (EXCERPT)
Act 112 of 1961

388.985 State loans to school districts; notes.

Sec. 5. In addition to issuing bonds under section 1 for the purpose of making loans to school districts for the payment of principal and interest on school bonds heretofore or hereafter issued as provided by section 16 of article 9 of the state constitution, and legislation enacted to implement the constitutional provision, the state administrative board is authorized and empowered on behalf of the state of Michigan to borrow on a temporary basis from time to time upon the full faith and credit of this state, such sums of money as may be necessary therefor, and as evidence of such loan or loans, the state administrative board may by resolution direct and cause to be issued notes of the state of Michigan and to renew the same. The notes or any renewals thereof shall mature not more than 5 years from the date thereof and may be made redeemable prior to maturity at the option of the state administrative board at such times and in such a manner as shall be determined by the state administrative board. They shall bear interest at such a rate as may be approved by the state administrative board and shall be in the form approved by the state administrative board. The notes shall be executed for and on behalf of the state by the state treasurer. The notes issued under the provisions of this section may be sold at either public or private sale as shall be determined by the state administrative board. The principal of any notes or renewals thereof heretofore or hereafter issued pursuant to the provisions of this section may be paid either upon maturity or prior redemption from the proceeds of the sale of bonds issued pursuant to the provisions of section 1 to provide long-term financing of sums used for the purpose of making loans to school districts.

History: 1961, Act 112, Eff. Sept. 8, 1961;—Am. 1963, 2nd Ex. Sess., Act 66, Eff. Jan. 1, 1964;—Am. 1971, Act 14, Imd. Eff. Apr. 28, 1971.