

HOUSE BILL No. 6049

December 2, 2014, Introduced by Rep. Price and referred to the Committee on Local Government.

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
5 agreement, including the creation and maintenance of reserves.

6 (b) The issuance of other or additional bonds payable from the
7 income and revenues from the industrial building and site and any
8 industrial machinery and equipment.

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

6 (d) The insurance to be carried ~~thereon~~**ON THE BONDS** and the
7 use and disposition of insurance ~~moneys~~**MONEY**.

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

18 (2) Any resolution authorizing the issuance of bonds under
19 this act may provide that the principal of and interest on any
20 bonds issued shall be secured by a mortgage or deed of trust
21 covering the industrial building and site and any industrial
22 machinery and equipment for which the bonds are issued and may
23 include any additions, improvements, or extensions thereafter made.
24 The mortgage or deed of trust may contain ~~such~~ covenants and
25 agreements to properly safeguard the bonds as may be provided for
26 in the resolution authorizing the bonds but not inconsistent with
27 this act and shall be executed in the manner provided in the

1 resolution. The resolution may provide for the appointment of 1 or
2 more trustees for bondholders, and any ~~such~~-trustee may be an
3 individual or corporation domiciled or located within or without
4 the state and may be given appropriate powers whether with or
5 without the execution of a mortgage or deed of trust covering the
6 industrial building or site or industrial machinery and equipment.

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

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

19 (5) ~~Any~~ **THROUGH DECEMBER 31, 2014, ANY** resolution authorizing
20 the issuance of bonds under this act shall not be effective until
21 publication once in a newspaper of general circulation within the
22 municipality. **BEGINNING JANUARY 1, 2015, ANY RESOLUTION AUTHORIZING**
23 **THE ISSUANCE OF BONDS UNDER THIS ACT SHALL NOT BE EFFECTIVE UNTIL**
24 **THE GOVERNING BODY OF THE MUNICIPALITY PROVIDES TIER A PUBLIC**
25 **NOTICE AS PROVIDED IN THE LOCAL GOVERNMENT PUBLIC NOTICE ACT.**

26 Enacting section 1. This amendatory act does not take effect
27 unless Senate Bill No. ____ or House Bill No. 5560 (request no.

1 03796'13) of the 97th Legislature is enacted into law.