

SENATE BILL No. 611

October 17, 1989, Introduced by Senator EHLERS and referred to the Committee on Natural Resources and Environmental Affairs.

A bill to amend section 7 of Act No. 329 of the Public Acts of 1988, entitled "Recreation bond implementation act," being section 318.577 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 7 of Act No. 329 of the Public Acts of
2 1988, being section 318.577 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 7. (1) The proceeds of the bonds issued under the rec-
5 reation bond authorization act shall be deposited into the fund.

6 (2) The state treasurer shall direct the investment of the
7 fund. Except as otherwise may be required by the resolution
8 authorizing the issuance of the bonds in order to maintain the
9 exclusion from gross income of the interest paid on the bonds or
10 to comply with state or federal law, interest and earnings from

1 investment of the proceeds of any bond issue shall be allocated
2 in the same proportion as earned on the investment of the pro-
3 ceeds of the bond issue.

4 (3) Except as otherwise may be required by the resolution
5 authorizing the issuance of the bonds in order to maintain the
6 exclusion from gross income of the interest paid on the bonds or
7 to comply with state or federal law, all repayments of principal
8 and interest earned under a loan program provided in this act
9 shall be credited to the appropriate restricted subaccounts of
10 the fund and used for the purposes authorized for the use of bond
11 proceeds deposited in that subaccount or to pay debt service on
12 any obligation issued which pledges the loan repayments and the
13 proceeds of which are deposited in that subaccount.

14 (4) The unencumbered balance in the fund at the close of the
15 fiscal year shall remain in the fund and shall not revert to the
16 general fund.

17 (5) The commission shall annually submit to the governor,
18 the committee of the house of representatives on conservation and
19 environment, the committee of the senate on natural resources and
20 environmental affairs, and the appropriations committees in the
21 house of representatives and the senate a list of all projects
22 that are recommended to be funded under this act. Beginning in
23 fiscal year 1990, this list shall be submitted to the legislature
24 not later than February 15 of each year. This list shall also be
25 submitted before any request for supplemental appropriation of
26 bond funds. The list shall include the name, address, and
27 telephone number of the eligible recipient or participant; the

1 nature of the eligible project; the county in which the eligible
2 project is located; an estimate of the total cost of the eligible
3 project; and other information considered pertinent by the
4 commission. The estimated cost of eligible local public recre-
5 ation projects on the list for each year in which there is a lim-
6 itation on borrowing under section 3(5) shall not exceed 1/3 of
7 the amount authorized ~~annually~~ for local public recreation
8 projects UNDER SECTION 8(1)(B) AND (C).

9 (6) The legislature shall appropriate prospective or actual
10 bond proceeds for projects proposed to be funded. Appropriations
11 shall be carried over to succeeding fiscal years until the
12 project for which the funds are appropriated is completed.

13 (7) Not later than December 31 of each year, the commission
14 shall report to the governor, the committee of the house of rep-
15 resentatives on conservation and environment, the committee of
16 the senate on natural resources and environmental affairs, and
17 the committees of the house of representatives and the senate on
18 appropriations for the department a list of the projects financed
19 under this act. The list shall include the name, address, and
20 telephone number of the recipient or participant; the nature of
21 the project; the amount of money received; the county in which
22 the project is located; and other information considered perti-
23 nent by the commission.