

SENATE BILL No. 1109

September 5, 2018, Introduced by Senator O'BRIEN and referred to the Committee on Government Operations.

A bill to authorize the issuance of general obligation bonds of this state and to pledge the full faith and credit of this state for the payment of principal and interest on the bonds to finance infrastructure projects for drinking water systems, sewage systems, stormwater systems, and drainage systems; the cleanup of environmental contamination; and the abatement of lead hazards; to pay for issuing the bonds; to provide for other measures relating to the bonds; and to provide for the submission of the question of the issuance of the bonds to the electors of this state.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the "great
2 waters, great lands bond authorization act".

3 Sec. 2. The state shall borrow a sum not to exceed
4 \$2,000,000,000.00 and issue the general obligation bonds of this

1 state, pledging the full faith and credit of this state for the
2 payment of principal and interest on the bonds, to finance
3 infrastructure projects for drinking water systems, sewage systems,
4 stormwater systems, and drainage systems; the cleanup of
5 environmental contamination; and the abatement of lead hazards.

6 Sec. 3. Bonds authorized under this act shall be issued in
7 accordance with conditions and procedures established by law.

8 Sec. 4. The proceeds of the sale of any series of the bonds
9 authorized under this act, any premium and accrued interest
10 received on the delivery of the bonds, and any interest earned on
11 the proceeds of the bonds shall be deposited in the state treasury
12 and credited to a restricted fund as provided by law and shall be
13 expended from that fund only for the purposes for which the bonds
14 have been authorized, including the expense of issuing the bonds.
15 The proceeds of sale of any series of the bonds, any premium and
16 accrued interest received on the delivery of the bonds, and any
17 interest earned on the proceeds of the bonds shall be expended for
18 the purposes set forth in this act in a manner as provided by law.

19 Sec. 5. The question of borrowing a sum not to exceed
20 \$2,000,000,000.00 and the issuance of the general obligation bonds
21 of the state for the purposes set forth in this act shall be
22 submitted to a vote of the electors of this state qualified to vote
23 on the question in accordance with section 15 of article IX of the
24 state constitution of 1963 at the next general election. The
25 question submitted to the electors shall be substantially as
26 follows:

27 "Shall the state of Michigan finance infrastructure projects

1 for drinking water systems, sewage systems, stormwater systems, and
2 drainage systems; the cleanup of environmental contamination; and
3 the abatement of lead hazards by borrowing a sum not to exceed
4 \$2,000,000,000.00 and issuing general obligation bonds of this
5 state, pledging the full faith and credit of this state for the
6 payment of principal and interest on the bonds, the method of
7 repayment of the bonds to be from the general fund of this state?

8 Yes

9 No.".

10 Sec. 6. The secretary of state shall perform all acts
11 necessary to properly submit the question prescribed by section 5
12 to the electors of this state qualified to vote on the question at
13 the next general November election.

14 Sec. 7. Bonds shall not be issued under this act unless the
15 question set forth in section 5 is approved by a majority vote of
16 the registered electors voting on the question.

17 Sec. 8. (1) After the issuance of the bonds authorized by this
18 act, the legislature shall appropriate from the general fund of
19 this state each fiscal year a sufficient amount to pay promptly,
20 when due, the principal of and interest on all outstanding bonds
21 authorized by this act and the costs incidental to the payment of
22 the bonds.

23 (2) The governor shall include the appropriation provided for
24 in subsection (1) in his or her annual executive budget
25 recommendations to the legislature.