HOUSE BILL NO. 6353

September 24, 2026, Introduced by Reps. Hoskins and Wozniak and referred to Committee on Finance.

A bill to amend 1933 (Ex Sess) PA 18, entitled

"An act to authorize any city, village, township, or county to purchase, acquire, construct, maintain, operate, improve, extend, and repair housing facilities; to eliminate housing conditions which are detrimental to the public peace, health, safety, morals, or welfare; and for any such purposes to authorize any such city, village, township, or county to create a commission with power to effectuate said purposes, and to prescribe the powers and duties of such commission and of such city, village, township, or county; and for any such purposes to authorize any such commission, city, village, township, or county to issue notes and revenue bonds; to regulate the issuance, sale, retirement, and refunding of such notes and bonds; to regulate the rentals of such projects and the use of the revenues of the projects; to prescribe the manner of

selecting tenants for such projects; to provide for condemnation of private property for such projects; to confer certain powers upon such commissions, cities, villages, townships, and counties in relation to such projects, including the power to receive aid and cooperation of the federal government; to provide for a referendum thereon; to provide for cooperative financing by 2 or more commissions, cities, villages, townships, or counties or any combination thereof; to provide for the issuance, sale, and retirement of revenue bonds and special obligation notes for such purposes; to provide for financing agreements between cooperating borrowers; to provide for other matters relative to the bonds and notes and methods of cooperative financing; for other purposes; and to prescribe penalties and provide remedies,"

by amending section 17 (MCL 125.667), as amended by 2002 PA 268.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 17. (1) ~~For the purpose of defraying~~ **To defray** the cost of purchasing, acquiring, constructing, improving, enlarging, extending, or repairing ~~any~~ **a** housing project or combined projects, ~~any~~ **a** borrower may borrow money and issue revenue bonds. The bonds may be awarded before an authorizing ordinance or resolution is adopted, ~~; however, the bonds shall~~ **but must** not be issued ~~unless and~~ until authorized by an ordinance or resolution setting forth a brief description of the contemplated housing project or combined projects and the site or sites of the project or projects, time and place of payment, and other details in connection with the issuance and sale of the bonds.

(2) Except as otherwise provided by this act, the bonds issued under this act are subject to the revenue bond act of 1933, 1933 PA 94, MCL 141.101 to 141.140. If less than all of the bonds authorized in connection with a project or combined projects are sold to the United States ~~housing authority or a successor agency,~~ **Department of Housing and Urban Development**, the balance of the bonds may also be sold at private sale at an interest cost to the

borrower of not more than the interest cost to the borrower of the portion of the bonds sold to the United States of America or any agency or instrumentality of the United States of America.

(3) Notes issued in connection with a housing project or combined projects ~~prior to~~ **before** the issuance of bonds may be accepted in payment of bonds sold in connection with the housing project or combined projects if the notes provide. In a contract for the purchase, acquisition, or construction of ~~any~~ **a** housing facility or for the improvement, enlargement, extension, or repair of the project or projects, provision may be made that payment ~~shall~~ **must** be made in the bonds.

(4) The bonds may be made payable in funds that are on the respective dates of payment of interest and principal ~~upon~~ **on** the bonds, legal tender for debts due the United States of America. All bonds and notes issued under this act, the interest on the bonds and notes, and ~~their~~ **the** transfer **of the bonds and notes** are exempt from all taxation by this state or ~~any~~ **a** political subdivisions of this state.

(5) The principal of and interest ~~upon~~ **on** the bonds ~~shall be~~ **is** payable, except as **otherwise** provided in this act, solely from the revenue derived from the operation of the housing project or combined projects, for the purchase, acquisition, construction, improvement, enlargement, extension, or repair of which the bonds are issued, and from contributions received **from any source** for or in aid of the project or combined projects. ~~, from whatever source derived.~~ The contributions may be pledged to the payment of any or all bonds issued in connection with the project or combined projects, as the borrower may provide. Bonds issued ~~pursuant to~~ **under** this act ~~shall~~ **do** not constitute an indebtedness of a

borrower within the meaning of state constitutional provisions or statutory limitations. ~~There shall be plainly stated on the~~ **The** face of each bond **must plainly state** substantially as follows:

"This bond is a revenue bond and the principal of and interest on this bond are exempt from any and all state, county, city, village, or other taxation under the laws of this state and are secured by the statutory lien created by 1933 (Ex Sess) PA 18, MCL 125.651 to 125.709c, and payable solely from contributions received for or in aid of the project or combined projects in connection with which the bonds are issued, ~~or~~ from the revenues of the project or combined projects, or from both the revenues and contributions, ~~as the case may be,~~ and are not a general obligation of the borrower."

(6) The bonds ~~shall have all the qualities of~~ **are** negotiable instruments under the uniform commercial code, 1962 PA 174, MCL 440.1101 to ~~440.11102.~~ **440.12501.** The authorizing ordinance or resolution may provide that the bonds ~~shall~~ **will** be issued under a trust indenture, the authorized form of which ~~shall~~ **must** be set forth in the ordinance or resolution, and any provision required or permitted by this act to appear in the authorizing ordinance or resolution ~~shall be~~ **is** considered to be included in the ordinance or resolution if set forth in the trust indenture.

Enacting section 1. This amendatory act does not take effect unless House Bill No. 6347 (request no. H02809'25) of the 103rd Legislature is enacted into law.