

SENATE SUBSTITUTE FOR
HOUSE BILL NO. 5156

A bill to amend 1909 PA 279, entitled
"The home rule city act,"
(MCL 117.1 to 117.38) by adding section 36a.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 36a. (1) Except as otherwise provided under this
2 section, if a financial emergency exists under the local
3 government fiscal responsibility act, 1990 PA 72, MCL 141.1201 to
4 141.1291, a city may issue financial recovery bonds in amounts
5 greater than the limitations established by the city charter or
6 this act.

7 (2) Any financial recovery bonds issued under this section
8 are subject to the terms and conditions approved by the local
9 emergency financial assistance loan board created under the
10 emergency municipal loan act, 1980 PA 243, MCL 141.931 to
11 141.942.

1 (3) Any financial recovery bonds issued under this section
2 are not subject to section 5(g).

3 (4) Notwithstanding subsection (1), the net indebtedness of a
4 city, reduced by any amounts excluded under section 4a(4), shall
5 not exceed 20% of the assessed value of the city.

6 (5) Financial recovery bonds issued under this section are
7 not subject to the revised municipal finance act, 2001 PA 34, MCL
8 141.2101 to 141.2821.