

Act No. 56
Public Acts of 1992
Approved by the Governor
May 20, 1992
Filed with the Secretary of State
May 20, 1992

**STATE OF MICHIGAN
86TH LEGISLATURE
REGULAR SESSION OF 1992**

Introduced by Reps. Richard A. Young, Johnson, DeMars, Knight, Hickner and Pitoniak

ENROLLED HOUSE BILL No. 5191

AN ACT to amend section 24 of Act No. 220 of the Public Acts of 1982, entitled "An act to create a Michigan family farm development authority; to define the powers and duties of the authority; to authorize the making and purchase of loans, deferred payment loans, and grants to certain qualified beginning farmers; to provide tax exemptions; to provide for the issuance and purchase of notes and bonds; to provide for the establishment of funds; and to prescribe criminal penalties," being section 285.274 of the Michigan Compiled Laws.

The People of the State of Michigan enact:

Section 1. Section 24 of Act No. 220 of the Public Acts of 1982, being section 285.274 of the Michigan Compiled Laws, is amended to read as follows:

Sec. 24. (1) All money of the authority shall be held by the authority and deposited in a state bank, national bank, or a state or federally chartered savings and loan association approved by the state treasurer. All deposits of money that are not fully insured by an agency of the United States shall, if required by the state treasurer or the authority, be secured by obligations of the United States, an agency of the United States, or obligations of this state or a local unit of government in this state, of a market value equal to the uninsured amount of the deposit. A state bank, national bank, or a state or federally chartered savings and loan association may give security for the deposits.

(2) The authority may, subject to the approval of the state treasurer, contract with the holders of any of its notes or bonds as to the custody, collection, securing, investment, and payment of money of the authority, of any money held in trust or otherwise for the payment of notes or bonds, and to carry out the contract. Money held in trust or otherwise for the payment of notes or bonds or to secure notes or bonds and deposits of money may be secured in the same manner as money of the authority, and all banks and trust companies may give security for the deposits.

(3) Subject to agreements with noteholders and bondholders, the authority shall prescribe a system of accounts.

(4) The authority may spend for operating purposes those funds appropriated to it annually by the legislature for operating purposes or as otherwise authorized. The authority is subject to audit by the auditor general or an independent public accounting firm appointed by the auditor general.

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved.....

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Governor.