

HOUSE BILL No. 5191

September 27, 1991, Introduced by Reps. Richard A. Young, Johnson, DeMars, Knight, Hickner and Pitoniak and referred to the Committee on Appropriations.

A bill to amend section 24 of Act No. 220 of the Public Acts of 1982, entitled
"Michigan family farm development act,"
being section 285.274 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Section 24 of Act No. 220 of the Public Acts of
2 1982, being section 285.274 of the Michigan Compiled Laws, is
3 amended to read as follows:

4 Sec. 24. (1) All money of the authority shall be held by
5 the authority and deposited in a state bank, national bank, or a
6 state or federally chartered savings and loan association
7 approved by the state treasurer. All deposits of money ~~which~~
8 THAT are not fully insured by an agency of the United States
9 shall, if required by the state treasurer or the authority, be
10 secured by obligations of the United States, an agency of the

1 United States, or obligations of this state or a local unit of
2 government in this state, of a market value equal to the unin-
3 sured amount of the deposit. A state bank, national bank, or a
4 state or federally chartered savings and loan association may
5 give security for the deposits.

6 (2) The authority may, subject to the approval of the state
7 treasurer, contract with the holders of any of its notes or bonds
8 as to the custody, collection, securing, investment, and payment
9 of money of the authority, of any money held in trust or other-
10 wise for the payment of notes or bonds, and to carry out the
11 contract. Money held in trust or otherwise for the payment of
12 notes or bonds or to secure notes or bonds and deposits of money
13 may be secured in the same manner as money of the authority, and
14 all banks and trust companies may give security for the
15 deposits.

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

18 (4) The authority may spend for operating purposes those
19 funds ~~as are~~ appropriated to it annually by the legislature for
20 operating purposes or ~~are~~ AS otherwise authorized. The
21 AUTHORITY IS SUBJECT TO AUDIT BY THE auditor general or ~~a~~
22 ~~certified~~ AN INDEPENDENT public ~~accountant~~ ACCOUNTING FIRM
23 appointed by the auditor general. ~~shall make an annual audit of~~
24 ~~the books and records of the authority and submit copies of the~~
25 ~~annual audit to the legislature.~~