
Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536



Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

Senate Bill 869 (as reported without amendment)
Senate Bill 870 (Substitute S-1 as reported)
Sponsor: Senator Mat J. Dunaskiss (S.B. 869)
 Senator George A. McManus, Jr. (S.B. 870)
Committee: Finance

CONTENT

Senate Bill 869 would amend the Land Reclamation and Improvement Authority Act to delete references to the Municipal Finance Act and replace them with references to the Revised Municipal Finance Act. In addition, the bill would delete provisions pertaining to interest rates on bonds issued under the Land Reclamation and Improvement Authority Act; and a provision that requires special assessment collections pledged for the payment of bonds or notes to be set aside in a special fund.

Senate Bill 870 (S-1) would amend the Drain Code to add references to the Revised Municipal Finance Act, and to delete provisions pertaining to prior approval of bonds issued under the Code. Further, the Code currently requires that bonds be sold by the drain commissioner in a manner provided for in the advertisement and sale of bonds under the Municipal Finance Act. The bill would require, instead, that bonds sold under the Code be sold subject to the Revised Municipal Finance Act.

(Public Act 34 of 2001 creates the "Revised Municipal Finance Act" to regulate borrowing by municipalities, and their issuance of securities; repeal the Municipal Finance Act; and prescribe the powers and duties of the Department of Treasury to protect the credit of the State and its municipalities. The Act will take effect March 1, 2002. The Municipal Finance Act will be repealed on that day, except for two sections that will be repealed on April 30, 2002.)

MCL 125.2482 (S.B. 869)
280.275 et al. (S.B. 870)

Legislative Analyst: G. Towne

FISCAL IMPACT

The bills would have no fiscal impact on State or local government.

Date Completed: 1-30-02

Fiscal Analyst: D. Zin