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Senate Bill 1201 (as enrolled)  
Sponsor: Senator Bill Bullard, Jr.  
Senate Committee: Finance  
House Committee: Tax Policy

**PUBLIC ACT 470 of 2002**

Date Completed: 2-7-03

**CONTENT**

The bill created the "Agency Financing Reporting Act" to require an "agency" to file certain information with the Department of Treasury after issuing a security. The bill specifies that failure to comply with the filing requirement does not invalidate any of the securities reported under the Act.

The Department may issue bulletins to carry out the purposes of the Act. A bulletin must include a statement of the Department's specific statutory authority for any substantive requirement contained in the bulletin.

Under the bill, "agency" means the State, a State authority, agency, fund, commission, board, or department of the State. It also includes a municipality issuing debt exempt from the provisions of the Revised Municipal Finance Act or the Revenue Bond Act. A "security" is an evidence of debt such as a bond, note, contract, obligation, refunding obligation, certificate of indebtedness, or other similar instrument issued by an agency, which pledges payment of the debt by the agency from an identified source of revenue. A security does not include items that are not considered securities under the Revised Municipal Finance Act. A "municipality" is a county, township, city, village, school district, intermediate school district, community college district, metropolitan district, port district, drainage district, district library, or another local governmental authority in Michigan with the power to issue a security.

Within 15 business days of completing the issuance of any security, an agency must file with the Department, as it prescribes, all of the following:

- A copy of the security.
- A proof of publication of the notice of sale, if applicable.

- A copy of the award resolution including a detail of the annual interest rate and call features on the security, if any.
- A copy of the legal opinion regarding the legality and tax status of the security.
- A copy of the notice of rating of the security received from a recognized rating agency, if any.
- A copy of the resolution or ordinance authorizing the issuance of the security.
- A copy of the official statement, if any.

The Department may require the filings to be in an electronic format prescribed by the Department.

MCL 129.171-129.177

Legislative Analyst: George Towne

**FISCAL IMPACT**

The bill will have no fiscal impact on State or local government.

Fiscal Analyst: Jessica Runnels

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.