

Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 1300 (as introduced 5-7-02)
Sponsor: Senator Joanne G. Emmons
Committee: Finance

Date Completed: 5-7-02

CONTENT

The bill would amend Public Act 112 of 1961 (which provides for the issuance of bonds and notes of the State to fund loans to school districts for the payment of certain school bonds) to specify that the bonds and notes issued under the Act would not be subject to the Revised Municipal Finance Act, but would be subject to the "Agency Financing Reporting Act".

(Public Act 34 of 2001 created 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 took effect on March 1, 2002. Senate Bill 1201 (S-1), as passed by the Senate, would create the "Agency Financing Reporting Act" to require an agency to file a statement of intent with the Department of Treasury before issuing a security, and to file certain information with the Department after issuing a security. In addition to State agencies, the Act would apply to municipalities issuing debt exempt from the Revised Municipal Finance Act or the Revenue Bond Act.)

Proposed MCL 388.981c

Legislative Analyst: George Towne

FISCAL IMPACT

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

Fiscal Analyst: David Zin

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