

HOUSE SUBSTITUTE FOR
SENATE BILL NO. 834

A bill to amend 1994 PA 53, entitled

"An act to authorize internally pooled investments by certain
local governmental units,"

by amending section 1 (MCL 123.931).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) Notwithstanding the provisions of ~~Act No. 20~~
2 ~~of the Public Acts of 1943, being sections 129.91 to 129.94 of~~
3 ~~the Michigan Compiled Laws~~ 1943 PA 20, MCL 129.91 TO 129.96; the
4 surplus funds investment pool act, ~~Act No. 367 of the Public~~
5 ~~Acts of 1982, being sections 129.111 to 129.118 of the Michigan~~
6 ~~Compiled Laws~~ 1982 PA 367, MCL 129.111 TO 129.118; the local
7 government investment pool act, ~~Act No. 121 of the Public Acts~~
8 ~~of 1985, being sections 129.141 to 129.150 of the Michigan~~
9 ~~Compiled Laws~~ 1985 PA 121, MCL 129.141 TO 129.150; the revenue
10 bond act of 1933, ~~Act No. 94 of the Public Acts of 1933, being~~

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1 ~~sections 141.101 to 141.140 of the Michigan Compiled Laws 1933~~
2 ~~PA 94, MCL 141.101 TO 141.140; the municipal finance act, Act~~
3 ~~No. 202 of the Public Acts of 1943, being sections 131.1 to 139.3~~
4 ~~of the Michigan Compiled Laws~~ REVISED MUNICIPAL FINANCE ACT,
5 2001 PA 34, MCL 141.2101 TO 141.2821; or ~~Act No. 31 of the~~
6 ~~Public Acts of the First Extra Session of 1948, being~~
7 ~~sections 123.951 to 123.965 of the Michigan Compiled Laws 1948~~
8 (1ST EX SESS) PA 31, MCL 123.951 TO 123.965, a local governmental
9 unit that maintains or intends to maintain various investments in
10 or as part of a computerized pool and allocates or has allocated
11 portions of the investments to various funds and accounts may
12 continue to do so or may begin to do so if the fund has a written
13 accounting issued at least monthly showing the status of money
14 allocated to each fund and the principal amount of each
15 investment. The interest on the investment may be transferred or
16 expended through pooled concentrated checking accounts or by wire
17 or other transfers. Investments of debt service funds, sinking
18 funds, or other pledged funds relating to 1 or more issues of
19 bonds, notes or other indebtedness of a local governmental unit,
20 may be maintained in or as part of a computerized pool subject to
21 the conditions described ~~above~~ IN THIS SUBSECTION, unless oth-
22 erwise prohibited by law or contract, but a computerized pool for
23 such funds shall be maintained separately from any computerized
24 pool for other funds and accounts of the local governmental
25 unit.

26 (2) As used in this section, "local governmental unit" means
27 a county, city, village, township, drainage district, road

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1 commission, building authority, or other municipal or public
2 corporation or authority, and any other ~~governmental~~ GOVERNING
3 body ~~defined~~ DESCRIBED in ~~section 2 of Act No. 202 of the~~
4 ~~Public Acts of 1943~~ THE REVISED MUNICIPAL FINANCE ACT, 2001 PA
5 34, MCL 141.2101 TO 141.2821.

6 (3) This act authorizes the holding and accounting of elec-
7 tronically pooled investments but is not intended to permit types
8 or categories of investments not currently authorized by law or
9 contract.