

**SUBSTITUTE FOR
SENATE BILL NO. 1201**

A bill relative to the reporting of the issuance of certain debt and securities; and to prescribe powers and duties of certain departments, agencies, officials, and employees.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. This act shall be known and may be cited as the
2 "agency financing reporting act".

3 Sec. 3. As used in this act:

4 (a) "Agency" means this state, a state authority, agency,
5 funds commission, board, or department of this state. Agency
6 also includes a municipality issuing debt exempt from the provi-
7 sions of the revised municipal finance act, 2001 PA 34,
8 MCL 141.2101 to 141.2821, or the provisions of the revenue bond
9 act of 1933, 1933 PA 94, MCL 141.101 to 141.140.

10 (b) "Department" means the department of treasury.

SB 1201, As Passed Senate, March 21, 2002

Senate Bill No. 1201

2

1 (c) "Municipality" means a county, township, city, village,
2 school district, intermediate school district, community college
3 district, metropolitan district, port district, drainage dis-
4 trict, district library, or another local governmental authority
5 in this state that has the power to issue a security.

6 (d) "Security" means an evidence of debt such as a bond,
7 note, contract, obligation, refunding obligation, certificate of
8 indebtedness, or other similar instrument issued by an agency,
9 which pledges payment of the debt by the agency from an identi-
10 fied source of revenue. Security does not include the items
11 described in section 105 of the revised municipal finance act,
12 2001 PA 34, MCL 141.2105.

13 Sec. 5. Before issuing a security, an agency shall file
14 with the department a statement of intent to issue a security on
15 a form and in a manner prescribed by the department.

16 Sec. 7. (1) Within 15 business days of completing the issu-
17 ance of any security, an agency shall file all of the following
18 with the department in a form and manner prescribed by the
19 department:

20 (a) A copy of the security.

21 (b) A proof of publication of the notice of sale, if
22 applicable.

23 (c) A copy of the award resolution including a detail of the
24 annual interest rate and call features on the security, if any.

25 (d) A copy of the legal opinion regarding the legality and
26 tax status of the security.

SB 1201, As Passed Senate, March 21, 2002

Senate Bill No. 1201

3

1 (e) A copy of the notice of rating of the security received
2 from a recognized rating agency, if any.

3 (f) A copy of the resolution or ordinance authorizing the
4 issuance of the security.

5 (g) A copy of the official statement, if any.

6 (2) The failure to comply with subsection (1) does not
7 invalidate any of the securities reported under this act.