



Senate Fiscal Agency  
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BILL ANALYSIS

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Senate Bill 875 (Substitute S-1 as reported)  
Sponsor: Senator Bill Hardiman  
Committee: Local, Urban and State Affairs

### **CONTENT**

The bill would amend Public Act 20 of 1943 (which regulates the investments of public corporations) to allow the governing body of a public corporation, by resolution, to authorize its investment officer to pool or coordinate the funds to be invested with the funds of other public corporations, except in counties where a local government investment pool was operating and accepting deposits.

(Under the Act, "public corporation" means a county, city, village, township, port district, drainage district, special assessment district, or metropolitan district of the State, or a board, commission, or another authority or agency created by or under an act of the Legislature.)

MCL 129.91

Legislative Analyst: Suzanne Lowe

### **FISCAL IMPACT**

The bill would have no effect on State revenue or expenditures or local expenditures. The bill would affect local revenue of public corporations by an unknown amount depending on how the bill affected the rate of return on investments of affected public corporations. Presumably, pooling or coordinating investments would produce higher rates of return and thus increase public corporation revenue from such investments.

This analysis is preliminary and will be revised as new information becomes available.

Date Completed: 2-28-6

Fiscal Analyst: David Zin