

HOUSE BILL No. 5239

August 11, 2009, Introduced by Rep. Opsommer and referred to the Committee on Transportation.

A bill to amend 1941 PA 258, entitled

"An act to simplify the accounting procedures of the state; to provide for the state funds through which all state accounting or bookkeeping transactions are to be recorded; to provide for the discontinuance or merging of certain state funds; to adjust the accounting of payments into the highway bond sinking fund on a fiscal year basis; and to repeal all acts and parts of acts inconsistent with the provisions of this act,"

by amending the title and section 10 (MCL 21.110).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 TITLE

2 An act to simplify the accounting procedures of the state; to
3 provide for the state funds through which all state accounting or
4 bookkeeping transactions are to be recorded **AND FOR A COMMON RATE**
5 **OF INTEREST TO BE CREDITED**; to provide for the discontinuance or
6 merging of certain state funds; **AND** to ~~adjust the accounting of~~
7 ~~payments into the highway bond sinking fund on a fiscal year basis;~~

~~and to repeal all acts and parts of acts inconsistent with the~~
~~provisions of this act~~ **PROVIDE FOR CERTAIN DUTIES OF THE STATE**
AUDITOR GENERAL.

Sec. 10. (1) The assets of the state treasurer's common cash
 fund shall consist of +

~~— (a) Such THE~~ remaining cash of the ~~several~~ state funds as may
 have been deposited by the state treasurer in 1 or more common bank
 depositories commingled with the cash of any other fund or funds in
~~such THESE~~ depositories or held by the state treasurer for eventual
 deposit in ~~such THESE~~ depositories -

~~— (b) The AND THE~~ cash overdrafts due from ~~such THE~~ state funds
 for which expenditures from ~~such THE~~ commingled depositories had
 exceeded the cash deposited or placed to their respective credit in
~~such THE~~ depositories.

(2) The liabilities of the state treasurer's common cash fund
 shall comprise the equities of ~~such THE~~ state funds for which the
 aggregate of the cash deposited or placed to their respective
 credit in the state treasurer's common cash fund has exceeded the
 cash expended for their account. ~~therefrom.~~

(3) **NOTWITHSTANDING ANY OTHER LAW TO THE CONTRARY, ALL CASH**
AND OTHER ASSETS OF THE STATE FUNDS THAT ARE DEPOSITED BY THE STATE
TREASURER INTO THE COMMON CASH FUND SHALL BE CREDITED WITH THE SAME
RATE OF INVESTMENT INTEREST. TO THE EXTENT THAT THE VARIOUS STATE
FUNDS NEED TO BE TREATED AS TRUST FUNDS TO BE CREDITED WITH A
COMMON INTEREST RATE UNDER THIS ACT, THE STATE TREASURER SHALL
TREAT THE VARIOUS STATE FUNDS AS TRUST FUNDS. IF IT IS NECESSARY TO
TREAT ALL FUNDS AS UNCAPPED FUNDS IN ORDER FOR THE APPLIED AND

1 CREDITED INTEREST RATES TO BE EQUAL FOR PURPOSES OF CREDIT TO THE
2 VARIOUS STATE FUNDS, THE STATE TREASURER SHALL TREAT ALL STATE
3 FUNDS IN THE COMMON CASH FUND AS UNCAPPED.

4 (4) THE AUDITOR GENERAL SHALL INVESTIGATE THE PRACTICE OF
5 CREDITING DIFFERENT INTEREST RATES TO THE VARIOUS STATE FUNDS WHEN
6 MONEY COLLECTED FOR THE VARIOUS STATE FUNDS IS DEPOSITED IN THE
7 COMMON CASH FUNDS AND SIMILAR PRACTICES AND SHALL REPORT TO THE
8 LEGISLATURE ON ITS FINDINGS WITHIN 180 DAYS OF THE AMENDATORY ACT
9 THAT ADDED THIS SUBSECTION.