

HOUSE BILL No. 5569

April 24, 2012, Introduced by Reps. Ouimet, Denby, Pscholka, Rogers and Hughes and referred to the Committee on Local, Intergovernmental, and Regional Affairs.

A bill to amend 1855 PA 105, entitled

"An act to regulate the disposition of the surplus funds in the state treasury; to provide for the deposit of surplus funds in certain financial institutions; to lend surplus funds pursuant to loan agreements secured by certain commercial, agricultural, or industrial real and personal property; to authorize the loan of surplus funds to certain municipalities; to authorize the participation in certain loan programs; to authorize an appropriation; and to prescribe the duties of certain state agencies,"

by amending section 1 (MCL 21.141), as amended by 1987 PA 284.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 1. (1) The state treasurer shall make a loan from surplus
2 funds to an eligible municipality, as municipality is defined in
3 section 1 of the emergency municipal loan act, ~~Act No. 243 of the~~
4 ~~Public Acts of 1980, being section 141.931 of the Michigan Compiled~~
5 ~~Laws, 1980 PA 243, MCL 141.931, if the loan is approved pursuant to~~
6 **UNDER** the emergency municipal loan act, ~~Act No. 243 of the Public~~
7 ~~Acts of 1980, being sections 141.931 to 141.942 of the Michigan~~

1 ~~Compiled Laws-1980 PA 243, MCL 141.931 TO 141.942.~~

2 (2) A loan made under subsection (1) shall comply with the
3 requirements of the emergency municipal loan act, ~~Act No. 243 of~~
4 ~~the Public Acts of 1980, with respect~~ **1980 PA 243, MCL 141.931 TO**
5 **141.942, RELATING** to the terms, conditions, rate of interest, and
6 amount of the loan.

7 (3) Upon approval of a loan by the board and execution of a
8 note of indebtedness to ~~the~~ **THIS** state by an authorized
9 representative of the municipality, **INCLUDING, BUT NOT LIMITED TO,**
10 **AN EMERGENCY MANAGER FOR THE MUNICIPALITY IF THE MUNICIPALITY IS IN**
11 **RECEIVERSHIP UNDER THE LOCAL GOVERNMENT AND SCHOOL DISTRICT FISCAL**
12 **ACCOUNTABILITY ACT, 2011 PA 4, MCL 141.1501 TO 141.1531, A**
13 **SUCCESSOR STATUTE, OR, IF THE LOCAL GOVERNMENT AND SCHOOL DISTRICT**
14 **FISCAL ACCOUNTABILITY ACT, 2011 PA 4, MCL 141.1501 TO 141.1531, IS**
15 **REPEALED OR OTHERWISE NOT EFFECTIVE AND FORMER 1990 PA 72 IS**
16 **REENACTED OR OTHERWISE AGAIN IN EFFECT OR APPLICABLE, AN EMERGENCY**
17 **FINANCIAL MANAGER FOR THE MUNICIPALITY IF THE MUNICIPALITY HAS A**
18 **FINANCIAL EMERGENCY UNDER FORMER 1990 PA 72, the state treasurer**
19 shall issue a warrant to the municipality in an amount equal to the
20 amount of the loan.

21 (4) ~~The~~ **FOR FISCAL YEARS BEGINNING BEFORE OCTOBER 1, 2011, THE**
22 total amount of loans made from surplus funds pursuant to this
23 section in any 1 fiscal year shall not exceed \$5,000,000.00 plus
24 the amount of any loans authorized by section 3(2) of the emergency
25 municipal loan act, ~~Act No. 243 of the Public Acts of 1980, being~~
26 ~~section 141.933 of the Michigan Compiled Laws-1980 PA 243, MCL~~
27 **141.933. FOR FISCAL YEARS BEGINNING OCTOBER 1, 2011 AND ENDING**

1 SEPTEMBER 30, 2018, THE TOTAL AMOUNT OF LOANS MADE FROM SURPLUS
 2 FUNDS PURSUANT TO THIS SECTION SHALL NOT EXCEED \$100,000,000.00
 3 PLUS THE AMOUNT OF LOANS AUTHORIZED BY SECTION 3(2) OF THE
 4 EMERGENCY MUNICIPAL LOAN ACT, 1980 PA 243, MCL 141.933. FOR FISCAL
 5 YEARS BEGINNING AFTER SEPTEMBER 30, 2018, THE TOTAL AMOUNT OF LOANS
 6 MADE FROM SURPLUS FUNDS PURSUANT TO THIS SECTION SHALL NOT EXCEED
 7 \$15,000,000.00 PLUS THE AMOUNT OF LOANS AUTHORIZED BY SECTION 3(2)
 8 OF THE EMERGENCY MUNICIPAL LOAN ACT, 1980 PA 243, MCL 141.933.

9 (5) THE STATE TREASURER MAY SELL, ASSIGN, TRANSFER, OR
 10 REPURCHASE LOANS MADE FROM SURPLUS FUNDS UNDER THIS SECTION OR FROM
 11 THE PROCEEDS OF THE SALE, ASSIGNMENT, OR TRANSFER OF A LOAN UNDER
 12 SECTION 6A OF THE EMERGENCY MUNICIPAL LOAN ACT, 1980 PA 243, MCL
 13 141.936A. THE STATE TREASURER SHALL USE SURPLUS FUNDS TO REPURCHASE
 14 A LOAN UNDER THIS SUBSECTION.

15 (6) ~~(5)~~As used in this section, "board" means the local
 16 emergency financial assistance loan board created pursuant to the
 17 emergency municipal loan act, ~~Act No. 243 of the Public Acts of~~
 18 ~~1980.~~1980 PA 243, MCL 141.931 TO 141.942.

19 Enacting section 1. This amendatory act does not take effect
 20 unless all of the following bills of the 96th Legislature are
 21 enacted into law:

22 (a) Senate Bill No.____ or House Bill No. 5567(request no.
 23 05368'12 *).

24 (b) Senate Bill No.____ or House Bill No. 5568(request no.
 25 05369'12 *).

26 (c) Senate Bill No.____ or House Bill No. 5570(request no.
 27 05384'12 *).

1 (d) Senate Bill No. _____ or House Bill No. 5566 (request no.
2 04142'11 *).