



**Senate Fiscal Agency**  
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**BILL ANALYSIS**

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House Bill 4887 (as reported without amendment)  
Sponsor: Representative Anthony G. Forlini  
House Committee: Tax Policy  
Senate Committee: Finance

**CONTENT**

The bill would amend the Michigan Education Savings Program Act to remove restrictions on when an account owner of a Michigan education savings account may select from different investment strategies designed by a program manager.

Currently, an account owner may select from different investment strategies designed by a program manager in all of the following circumstances to the extent allowed under Section 529 of the Internal Revenue Code (IRC):

- At the time any contribution is made to an account with respect to the amount of that contribution.
- Once each calendar year with respect to the accumulated account balance.
- When an account owner makes a change in designated beneficiary of an account.

The bill would eliminate these circumstances under which an account owner may select investment strategies, allowing an account owner to select from different investment strategies designed by a program manager to the extent allowed under Section 259 of the IRC. (That section governs a "qualified tuition program".)

MCL 390.1479

Legislative Analyst: Drew Krogulecki

**FISCAL IMPACT**

The bill would have no fiscal impact on State or local government.

Date Completed: 2-22-16

Fiscal Analyst: David Zin