

HOUSE BILL No. 4887

September 22, 2015, Introduced by Reps. Forlini, Iden and Dianda and referred to the Committee on Tax Policy.

A bill to amend 2000 PA 161, entitled "Michigan education savings program act," by amending section 9 (MCL 390.1479), as amended by 2007 PA 153.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 9. (1) Except as otherwise provided in this section, an
2 account owner or a designated beneficiary of any account shall not
3 direct the investment of any contributions to an account or the
4 earnings on an account.

5 (2) An account owner may select among different investment
6 strategies designed by a program manager ~~in all of the following~~
7 ~~circumstances~~ to the extent allowed under section 529 of the
8 internal revenue code. +

9 ~~(a) At the time any contribution is made to an account with~~
10 ~~respect to the amount of that contribution.~~

1 ~~—— (b) Once each calendar year with respect to the accumulated~~
2 ~~account balance.~~

3 ~~—— (c) When an account owner makes a change in designated~~
4 ~~beneficiary of an account.~~

5 (3) The program may allow board members or employees of the
6 program, or the board members or employees of a contractor hired by
7 the program to perform administrative services, to make
8 contributions to an account.

9 (4) An interest in an account shall not be used by an account
10 owner or a designated beneficiary as security for a loan. Any
11 pledge of an interest in an account has no force or effect.