

SENATE BILL No. 569

October 20, 2015, Introduced by Senators NOFS, BRANDENBURG, PAVLOV, HANSEN, MARLEAU, KNOLLENBERG, CASPERSON, SCHMIDT, HORN and SCHUITMAKER and referred to the Committee on Local Government.

A bill to amend 1978 PA 30, entitled

"An act to provide for the creation and use of budget stabilization funds by counties, cities, villages, and townships,"

by amending section 3 (MCL 141.443).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 3. (1) Each fiscal year following the fiscal year in
2 which a fund is created, the governing body of the municipality
3 ~~which~~**THAT** created the fund may appropriate **TO THE FUND**, by an
4 ordinance or resolution adopted by a 2/3 vote of the members
5 elected and serving, all or part of a surplus in the general fund
6 resulting from an excess of revenue in comparison to expenses. ~~to~~
7 ~~the fund.~~

8 (2) A municipality shall not impose additional taxes producing
9 revenue in excess of that needed for its estimated budget in order
10 to provide for money to be appropriated to the fund.

1 (3) The amount of money in the fund shall not exceed either
2 ~~15%~~**20%** of the municipality's most recent general fund budget, as
3 originally adopted, or ~~15%~~**20%** of the average of the municipality's
4 5 most recent general fund budgets, as amended, whichever is less.

5 (4) The money in the fund may be invested as provided by law
6 with the earnings of the fund to be returned to the municipality's
7 general fund.

8 (5) If the money in the fund exceeds that permitted in
9 subsection (3), the excess money shall be appropriated in the
10 municipality's next general fund budget, but shall not be
11 appropriated to the fund.

12 Enacting section 1. This amendatory act takes effect 90 days
13 after the date it is enacted into law.