



Senate Fiscal Agency
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BILL



ANALYSIS

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Senate Bill 455 (Substitute S-1 as reported)

Sponsor: Senator Ian Conyers

Committee: Local Government

CONTENT

The bill would amend Public Act 40 of 1932, which provides for the designation of depositories for public money of local units of government, to do the following:

- Require an officer of a local public entity authorized to deposit public money collected by the entity to deposit the money in a financial institution as soon as practicable.
- Allow a county treasurer to keep on hand a reasonable amount of money necessary to conduct the affairs of his or her office.
- Revise the process for a governing body to designate by resolution a financial institution as a depository for public money.
- Allow a local public entity's treasurer to recommend to the entity's governing body one or more financial institutions that met the requirements for deposit under the Act.
- Create financial record-keeping requirements for an officer of a local public entity responsible for depositing its money.
- Revise various provisions throughout the Act to refer to a "treasurer", instead of a "tax collector".

The bill would repeal Section 5 of the Act, and Public Act 99 of 1909. (Section 5 states that "deposit" includes the purchase of or investment in shares with a credit union. The bill would re-enact this statement. Public Act 99 of 1909 authorizes certain county officials to designate a depository or depositories for public money received by a county treasurer.)

MCL 129.11 et al.

Legislative Analyst: Drew Krogulecki

FISCAL IMPACT

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

Date Completed: 5-30-18

Fiscal Analyst: Ryan Bergan