
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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House Bills 5421 and 5422 (as passed by the House)
Sponsor: Representative Wayne Kuipers (H.B. 5421)
Representative Tom Meyer (H.B. 5422)
House Committee: Commerce

CONTENT

The bills would amend various sections of the Community College Act to replace references to the Municipal Finance Act with references to the "Revised Municipal Finance Act".

House Bill 5421 would amend Section 126, which allows a community college board of trustees to issue bonds to acquire lands and buildings. In addition to adding references to the Revised Municipal Finance Act, the bill would delete provisions that pertain to refunding bonds and bond term limits.

House Bill 5422 would amend Section 127, which allows a community college board of trustees to issue notes and other obligations to pay for operating expenses and previous obligations, to specify that the notes or obligations would be subject to the Revised Municipal Finance Act.

(Public Act 34 of 2001 created the "Revised Municipal Finance Act" to regulate borrowing by municipalities, and their issuance of securities; repeal the Municipal Finance Act; and prescribe the powers and duties of the Department of Treasury to protect the credit of the State and its municipalities. The Act took effect March 1, 2002. The Municipal Finance Act was repealed on that date, except for two sections that will be repealed on April 30, 2002.)

MCL 389.126 (S.B. 5421)
389.127 (S.B. 5422)

Legislative Analyst: George Towne

FISCAL IMPACT

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

Date Completed: 3-5-02

Fiscal Analyst: D. Zin