

Senate Fiscal Agency
P. O. Box 30036
Lansing, Michigan 48909-7536

SFA**BILL ANALYSIS**

Telephone: (517) 373-5383
Fax: (517) 373-1986
TDD: (517) 373-0543

House Bills 5848 and 5849 (as reported without amendment)
Sponsor: Representative Douglas Bovin (H.B. 5848)
Representative Sandra Caul (H.B. 5849)
House Committee: Tax Policy
Senate Committee: Finance

CONTENT

The bills would amend various statutes to replace references to the Municipal Finance Act with references to the Revised Municipal Finance Act, and to specify that bonds issued under the statutes 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 on March 1, 2002. The Municipal Finance Act was repealed on that day, except for two sections that were repealed on April 30, 2002.)

House Bill 5848 would amend Section 131 of the Aeronautics Code, which allows a local unit to submit to its electors for approval the issuance of general obligation bonds for airports.

House Bill 5849 would amend Section 205 of the Mental Health Code, which pertains to the bonding authority of community mental health agencies.

MCL 259.131 (H.B. 5848)
330.1205 (H.B. 5849)

Legislative Analyst: George Towne

FISCAL IMPACT

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

Date Completed: 5-1-02

Fiscal Analyst: David Zin