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BILL ANALYSIS

Senate Fiscal Agency

• Lansing, Michigan 48909

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House Bill 5610 (Substitute H-1)

Sponsor: Representative Alvin Hoekman

House Committee: Towns and Counties

Senate Committee: Local Government and Veterans

Date Completed: 5-31-88

SUMMARY OF HOUSE BILL 5610 (Substitute H-2) as passed by the House:

The bill would amend Public Act 20 of 1943, which concerns the investment of surplus funds of political subdivisions, to allow the legislative or governing body of a local government (a county, city, village, and township; special assessment district; or agency, board, or commission of a local government) to authorize, by resolution, its treasurer or chief fiscal officer to invest surplus funds in securities of the United States or this State, or a State agency or instrumentality, in which the principal and interest were fully guaranteed by the United States or the State. The bill specifies that this would include securities issued or guaranteed by the Government National Mortgage Association.

MCL 129.91

Legislative Analyst: L. Arasim

FISCAL IMPACT

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

Fiscal Analyst: G. Olson

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.