
Senate Fiscal Agency
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SFA**BILL ANALYSIS**

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Senate Bill 835 (Substitute S-2 as reported)
Sponsor: Senator Valde Garcia
Committee: Finance

CONTENT

The bill would amend Section 15 of the Tax Increment Finance Authority Act, which allows a tax increment finance authority to sell tax increment bonds to finance a development program, to specify that the bonds would be subject to the Revised Municipal Finance Act and would be considered single series bonds for purposes of that Act. In addition, the bill would delete provisions that require bonds issued under Section 15 to mature in 30 years or less, and provisions that pertain to refunding bonds. (The Revised Municipal Finance Act prescribes term limits for bonds, and requirements for refunding bonds.)

(Public Act 34 of 2001 creates 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 will take effect March 1, 2002. The Municipal Finance Act will be repealed on that day, except for two sections which will be repealed on April 30, 2002.)

MCL 125.1815

Legislative Analyst: George Towne

FISCAL IMPACT

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

Date Completed: 2-13-02

Fiscal Analyst: David Zin

