S.B. 360 (S-2) & 361 (S-2): FLOOR ANALYSIS

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BILL ANALYSIS

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Senate Bill 360 (Substitute S-2 as reported by the Committee of the Whole) Senate Bill 361 (Substitute S-2 as reported by the Committee of the Whole)

Sponsor: Senator Joel D. Gougeon

Committee: Local, Urban and State Affairs

CONTENT

<u>Senate Bill 360 (S-2)</u> would amend the Home Rule City Act to provide that the legislative body of a city could by ordinance or resolution form a nonprofit corporation under the Nonprofit Corporation Act for valid public purposes for cities in the State.

<u>Senate Bill 361 (S-2)</u> would amend the Open Meetings Act, which requires meetings of public bodies to be open to the public, to include under the definition of "public body", the board of a nonprofit corporation formed by a city under the Home Rule City Act (pursuant to Senate Bill 360); and to include under the definition of "meeting", any meeting of the board of a nonprofit corporation formed by a city.

The bills are tie-barred to each other.

Proposed MCL 117.4o (S.B. 360) MCL 15.262 (S.B. 361)

FISCAL IMPACT

Senate Bill 360 (S-2) would have no fiscal impact on the State.

The bill would have an indeterminate fiscal impact on local units. Creation and operation of a nonprofit corporation would not necessitate a change in a local unit's revenues or expenditures, although a local unit could choose, due to the existence of the nonprofit corporation, to make budgeting or policy changes that could alter expenditures and/or revenues.

Senate Bill 361 (S-2) would have no fiscal impact on State or local government.

Date Completed: 4-19-01 Fiscal Analyst: D. Zin