

Legislative Analysis



FY FOR COUNTIES: ALLOW ALTERNATIVE DATES

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House Bill 6239

Sponsor: Rep. Dave Hildenbrand

Committee: Local Government and Urban Policy

Complete to 9-1-06

A SUMMARY OF HOUSE BILL 6239 AS INTRODUCED 6-21-06

Public Act 174 of 1943 establishes the fiscal year for counties, county road commissions and other county agencies. In general, most counties (those with a population of less than 1,500,000) and their respective agencies are required to follow a fiscal year based on the calendar year and are required to file fiscal year accounting reports within 30 days after the April meeting of the county board of commissioners. The act was amended in 1994 to allow these counties the option of choosing a fiscal year similar to the state's, which runs from October 1 of a calendar year to September 30 of the following year; in such cases the fiscal reports must be filed before the following March 1.

House Bill 6239 would amend the act (MCL 45.201) to add another option for counties in regard to choosing a fiscal year. Under the bill, a county board of commissioners could establish, instead of the calendar fiscal year, one of the following as its fiscal year:

- Fiscal year beginning July 1 and ending June 30.
- Fiscal year beginning October 1 and ending September 30.

If either of these were determined to be a county's fiscal year, the required annual reports that counties must prepare based in whole or part on accounting completed within the fiscal year would have to be filed six months from the end of the fiscal year.

In addition, if a county has a calendar fiscal year, the county's road commission currently can instead choose to follow the same fiscal year as the state (October 1 to September 30). The bill would strike that provision; thus, under the bill, it appears that a county road commission of a county with a population of less than 1,500,000 would have to have the same fiscal year as the county. A county road commission's annual report would still have to be made within five months after the end of the fiscal year.

FISCAL IMPACT:

The bill appears to have no significant impact on state or local revenues.

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