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BILL ANALYSIS

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Senate Bill 1441 (as introduced 7-17-08)
Sponsor: Senator Wayne Kuipers
Committee: Appropriations

Date Completed: 9-23-08

CONTENT

The bill would amend the Management and Budget Act to require the Department of Management and Budget to issue directives to all State agencies to provide the Department with information regarding the expenditure of all State funds, and require the Department then to make the information publicly available.

Specifically, the directives would require all State agencies to provide to the Department of Management and Budget the following information:

- The name and principal location of the entity receiving the funds.
- The amount of State funds.
- The type of the transaction.
- The funding State agency.
- The budget source of the funds.
- A descriptive purpose of the funding action or expenditure.
- Any other information required by the Department.

The bill would require the Department, by January 1, 2008, to develop and operate a searchable website accessible by the public at no cost. Information considered confidential by State or Federal law would not be required to be reported.

The bill would define "expenditure of state funds" as the expenditure of all appropriated and nonappropriated funds by a State agency that includes, but is not limited to: State purchases, contracts and subcontracts, and grants.

Proposed MCL 18.1447

FISCAL IMPACT

The bill would require the Department of Management and Budget to post and make publicly available the State expenditure data received from all State agencies. This requirement would be beyond the Department's current capabilities. The bill would require each expenditure transaction involving State funds to be reported. According to the Department, there are several million separate expenditure transactions completed annually by all State departments. The requirement to compile all of these transactions into a searchable database that would then be made publicly available would require the purchase of new equipment and software in addition to the administrative costs that would be incurred by the Department of Management and Budget to compile the database and create

and maintain a searchable website. There also would be administrative costs to all State agencies associated with the compilation and reporting of their expenditure of State funds. The costs, both to the Department of Management and Budget and other State agencies, is indeterminate. It is safe to assume, however, that the estimated costs would be several million dollars.

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