



Senate Fiscal Agency
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BILL ANALYSIS



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House Bill 5052 (Substitute H-1 as passed by the House)
Sponsor: Representative Jimmy Womack
House Committee: Intergovernmental and Regional Affairs
Senate Committee: Local, Urban and State Affairs

Date Completed: 10-27-09

CONTENT

The bill would amend the Local Government Fiscal Responsibility Act to require an emergency financial manager to file with the Governor and the Legislature periodic reports disclosing certain information regarding finances and personnel issues.

Specifically, an emergency financial manager appointed under Article 2 (Governmental Provisions) or Article 3 (School District Provisions) of the Act would have to file with the Governor, the Senate Majority Leader, and the Speaker of the House of Representatives, and post on the website of the local unit of government or school district, a report that contained all of the following:

- A description of each expenditure made, approved, or disapproved during the reporting period that had a cumulative value of at least \$10,000 and the source of the funds.
- A list of each contract that he or she awarded or approved with a cumulative value of at least \$10,000, the purpose of the contract, and the contractor's identity.
- A description of each loan sought, approved, or disapproved during the reporting period that had a cumulative value of at least \$10,000 and the proposed use of the funds.
- A description of any new position created or any vacancy in a permanent position filled by the appointing authority.
- A description of any position that was eliminated or from which an employee was laid off.

The report would have to be submitted every six months, beginning six months after the emergency financial manager's starting date.

Proposed MCL 141.1221a & 141.1241a

Legislative Analyst: Julie Cassidy

FISCAL IMPACT

By increasing reporting requirements, the bill would increase expenses in local units under the control of an emergency financial manager by an unknown, and likely minimal, amount. The bill would have no effect on State revenue or expenses.

Fiscal Analyst: David Zin

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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.