

# HOUSE BILL No. 6254

June 9, 2010, Introduced by Reps. Womack, Melton and Johnson and referred to the Committee on Government Operations.

A bill to amend 1990 PA 72, entitled "Local government fiscal responsibility act," by amending section 18 (MCL 141.1218).

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 18. (1) If the governor determines that a financial  
2 emergency exists under section 15, the governor shall assign the  
3 responsibility for managing the local government financial  
4 emergency to the local emergency financial assistance loan board  
5 created under the emergency municipal loan act, ~~Act No. 243 of the~~  
6 ~~Public Acts of 1980, being sections 141.931 to 141.942 of the~~  
7 ~~Michigan Compiled Laws 1980 PA 243, MCL 141.931 TO 141.942.~~ The  
8 local emergency financial assistance loan board shall appoint an  
9 emergency financial manager. The emergency financial manager shall  
10 **HAVE KNOWLEDGE, SKILL, AND EXPERIENCE IN MANAGING A LOCAL**

1 **GOVERNMENT AND SHALL** be chosen ~~selely~~ on the basis of his or her  
2 competence. ~~and~~ **THE EMERGENCY FINANCIAL MANAGER** shall not have been  
3 either an elected or appointed official or employee of the local  
4 government for which appointed for not less than 5 years before the  
5 appointment. The emergency financial manager need not be a resident  
6 of the local government for which he or she is appointed. The  
7 emergency financial manager shall serve at the pleasure of the  
8 local emergency financial assistance loan board. The emergency  
9 financial manager shall be entitled to compensation and  
10 reimbursement for actual and necessary expenses from the local  
11 government as approved by the local emergency financial assistance  
12 loan board. In addition to staff otherwise authorized by law, with  
13 the approval of the local emergency financial assistance loan  
14 board, the emergency financial manager may appoint additional staff  
15 and secure professional assistance considered necessary to  
16 implement this article.

17 (2) An emergency financial manager appointed under ~~the local~~  
18 ~~government fiscal responsibility act, former Act No. 101 of the~~  
19 ~~Public Acts of 1988, FORMER 1988 PA 101~~ and serving on the  
20 effective date of this act, except as provided in subsection (1),  
21 shall continue under this act to fulfill his or her powers and  
22 duties.