



**Senate Fiscal Agency**  
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BILL



ANALYSIS

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House Bill 4704 (Substitute S-3 as reported)  
Sponsor: Representative Peter Pettalia  
House Committee: Judiciary  
Senate Committee: Government Operations

### **CONTENT**

The bill would amend the Uniform Budgeting and Accounting Act to provide that an elected official heading a branch of county government, or the chief judge of a court funded by a county, would have standing to bring a suit as follows:

- Against the legislative body of the county, concerning a general appropriations act, including a challenge as to serviceable levels of funding for that branch of county government or that court.
- Against the chief administrative officer of that county, concerning the enforcement of a general appropriations act for that branch of county government or that court.

The bill also would do the following:

- Give the Michigan Court of Appeals exclusive jurisdiction over a suit filed under the bill.
- Require a suit to be filed within 60 days after a general appropriations act was adopted or amended or a related action was taken, or within 90 days after one of those events if a court were involved in mediation with the legislative body or chief administrative officer of the county within the 60-day period.
- Require a mediator, if the parties were involved in mediation, to certify that they could not resolve the dispute, before the chief judge could bring a suit.
- Require a court hearing a suit against a county's legislative body to consider the county's financial ability to pay, when considering a challenge as to serviceable levels of funding.
- Specify that a general appropriations act, including any amendment to it, would be presumed to fund activities of a county mandated by law at a serviceable level.

MCL 141.436 & 141.438

Legislative Analyst: Suzanne Lowe

### **FISCAL IMPACT**

The bill would give the Court of Appeals exclusive jurisdiction in these types of cases, meaning the Court of Appeals could see an increased caseload. Any conclusion of mediation or litigation that determined that the local government was not funding activities mandated by law at a serviceable level, could lead to increased costs for that local unit. However, the bill would make several changes that could decrease the likelihood that a county would be sued for lack of serviceable funding, which could mitigate potential future costs associated with litigating these types of cases and increasing funding to serviceable levels in the event that such a case resulted in a mandate to do so.

Date Completed: 10-21-13

Fiscal Analyst: Dan O'Connor