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BILL



ANALYSIS

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Senate Bill 820 (Substitute S-2 as passed by the Senate)
Sponsor: Senator Goeff Hansen
Committee: Government Operations

Date Completed: 3-31-16

CONTENT

The bill would amend Public Act 566 of 1978, which prohibits a public officer from holding incompatible offices, to provide that the prohibition would not prohibit the superintendent or chairperson of a qualified school district from serving as a member of a financial review commission for the district, prohibit an emergency manager from serving as a transition manager under the Revised School Code, or prohibit an individual appointed to an education commission under the Code from serving as an officer or member of the body the individual was appointed to represent.

The bill is tie-barred to Senate Bills 710 and 711. Senate Bill 710 would amend the Revised School Code to provide for the transfer of a "qualifying school district" (Detroit Public Schools) to a proposed "community district", and provide that the qualifying school district would retain a limited separate identity and its territory would continue as a separate taxing unit for the purpose of repaying outstanding debt until the debt was retired.

Senate Bill 711 would amend the Michigan Financial Review Commission Act to provide for the Financial Review Commission for Detroit also to be the Financial Review Commission for the proposed community district.

Under Section 2 of Public Act 566 of 1978, a public officer or employee may not hold two or more incompatible offices at the same time, subject to specific exceptions. ("Incompatible offices" means "public offices held by a public official which, when the official is performing the duties of any of the offices held by the official, results in any of the following with respect to those offices held": the subordination of one public office to another, the supervision of one public office by another, or a breach of duty of public office.)

The Act specifies that Section 2 does not prohibit the mayor, the chief executive officer, or a member of the governing board of the qualified city (Detroit) from serving as a member of the Financial Review Commission for the city. Under the bill, Section 2 would not prevent any of those individuals or the superintendent or chairperson of the qualified school district from serving as a member of the Financial Review Commission for the city or the school district.

The bill also provides that Section 2 would not prohibit either of the following:

- An emergency manager appointed under the Local Financial Stability and Choice Act from serving as a transition manager under Section 12b or Part 5B of the Revised School Code.
- An individual appointed to an education commission under Part 5B of the Code from serving as an officer or member of the body the individual was appointed to represent.

(Senate Bill 710 would add Section 12b and Part 5B to the Revised School Code. Section 12b contains the provisions for the transfer of the qualifying school district to the community district. Part 5B would provide for the creation and governance of the community district. Senate Bill 710 (S-2) would require the appointment of a transition manager for the district until a school board was elected; require the appointment of an education commission for the district; require the Commission to report on and make recommendations for the siting of public schools in the district; and require the commission's approval before a new public school could be opened or a new public school academy could be authorized in the district.)

MCL 15.183

Legislative Analyst: Suzanne Lowe

FISCAL IMPACT

The bill would have no fiscal impact on State and local government.

Fiscal Analyst: Kathryn Summers

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