

HOUSE BILL No. 5051

September 28, 2017, Introduced by Reps. Chang and Liberati and referred to the Committee on Local Government.

A bill to amend 2012 PA 436, entitled
"Local financial stability and choice act,"
by amending section 23 (MCL 141.1563).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Sec. 23. (1) Before removing a local government from
2 receivership, the governor may appoint a receivership transition
3 advisory board to monitor the affairs of the local government until
4 the receivership is terminated.

5 (2) A receivership transition advisory board shall consist of
6 the state treasurer or his or her designee, the director of the
7 department of technology, management, and budget or his or her
8 designee, and, if the local government is a school district, the
9 superintendent of public instruction or his or her designee. ~~The~~

10 **EXCEPT AS OTHERWISE PROVIDED IN THIS SUBSECTION, THE** governor also

1 may appoint to a receivership transition advisory board 1 or more
2 other individuals with relevant professional experience, including
3 1 or more residents of the local government. **AN INDIVIDUAL WHO WAS**
4 **APPOINTED AS AN EMERGENCY MANAGER UNDER THIS ACT OR WHO WAS**
5 **APPOINTED AS AN EMERGENCY FINANCIAL MANAGER UNDER FORMER 1988 PA**
6 **101 OR FORMER 1990 PA 72 MAY ONLY BE APPOINTED AS A NONVOTING**
7 **MEMBER TO THE RECEIVERSHIP TRANSITION ADVISORY BOARD FOR THE LOCAL**
8 **GOVERNMENT OF WHICH HE OR SHE WAS APPOINTED AS AN EMERGENCY MANAGER**
9 **OR EMERGENCY FINANCIAL MANAGER.**

10 (3) A receivership transition advisory board serves at the
11 pleasure of the governor.

12 (4) At its first meeting, a receivership transition advisory
13 board shall adopt rules of procedure to govern its conduct,
14 meetings, and periodic reporting to the governor. Procedural rules
15 required by this section are not subject to the administrative
16 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

17 (5) A receivership transition advisory board may do all of the
18 following:

19 (a) Require the local government to annually convene a
20 consensus revenue estimating conference for the purpose of arriving
21 at a consensus estimate of revenues to be available for the ensuing
22 fiscal year of the local government.

23 (b) Require the local government to provide monthly cash flow
24 projections and a comparison of budgeted revenues and expenditures
25 to actual revenues and expenditures.

26 (c) Review proposed and amended budgets of the local
27 government. A proposed budget or budget amendment ~~shall~~**DOES** not

1 take effect unless approved by the receivership transition advisory
2 board.

3 (d) Review requests by the local government to issue debt
4 under the revised municipal finance act, 2001 PA 34, MCL 141.2101
5 to 141.2821, or any other law governing the issuance of bonds or
6 notes.

7 (e) Review proposed collective bargaining agreements
8 negotiated under section 15(1) of 1947 PA 336, MCL 423.215. A
9 proposed collective bargaining agreement ~~shall~~**DOES** not take effect
10 unless approved by the receivership transition advisory board.

11 (f) Review compliance by the local government with a deficit
12 elimination plan submitted under section 21 of the Glenn Steil
13 state revenue sharing act of 1971, 1971 PA 140, MCL 141.921.

14 (g) Review proposed judgment levies before submission to a
15 court under section 6093 or 6094 of the revised judiciary act of
16 1961, 1961 PA 236, MCL 600.6093 and 600.6094.

17 (h) Perform any other duties assigned by the governor at the
18 time the receivership transition advisory board is appointed.

19 (6) A receivership transition advisory board is a public body
20 as that term is defined in section 2 of the open meetings act, 1976
21 PA 267, MCL 15.262, and meetings of a receivership transition
22 advisory board are subject to the open meetings act, 1976 PA 267,
23 MCL 15.261 to 15.275. A receivership transition advisory board is
24 also a public body as that term is defined in section 2 of the
25 freedom of information act, 1976 PA 442, MCL 15.232, and a public
26 record in the possession of a receivership transition advisory
27 board is subject to the freedom of information act, 1976 PA 442,

1 MCL 15.231 to 15.246.

2 Enacting section 1. This amendatory act takes effect 90 days
3 after the date it is enacted into law.