HOUSE BILL NO. 4408

March 20, 2019, Introduced by Reps. Miller and Cynthia Johnson and referred to the Committee on Local Government and Municipal Finance.

A bill to amend 2000 PA 321, entitled

"Recreational authorities act,"

by amending section 27 (MCL 123.1157).

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

Sec. 27. (1) A board shall obtain an ~~annual~~ audit of the authority **as required in this section,** and report on the audit and auditing procedures, in the manner provided by sections 6 to 13 of the uniform budgeting and accounting act, 1968 PA 2, MCL 141.426 to 141.433. The audit ~~shall~~ **must** also be in accordance with generally accepted government auditing standards as promulgated by the United

States ~~general accounting office~~ **General Accounting Office** and ~~shall~~ **must** satisfy federal regulations relating to federal grant compliance audit requirements.

(2) If an authority levies and collects a tax, the board shall obtain an annual audit of the authority.

(3) If an authority does not levy or collect a tax, the board shall obtain an audit of its financial records, accounts, and procedures not less frequently than biennially. However, if any audit under this subsection discloses a material deviation from generally accepted accounting practices or from applicable rules and regulations of a state department or agency or discloses any fiscal irregularity, defalcation, misfeasance, nonfeasance, or malfeasance, the department of treasury may require an audit to be conducted in the next year.

(4) ~~(2)~~ An authority shall prepare budgets and appropriations acts in the manner provided by sections 14 to 19 of the uniform budgeting and accounting act, 1968 PA 2, MCL 141.434 to 141.439.

(5) ~~(3)~~ The state treasurer, the attorney general, a prosecuting attorney, bank, certified public accountant, certified public accounting firm, or other person ~~shall have~~ **has** the same powers, duties, and immunities with respect to the authority as provided for local units in sections 6 to 20 of the uniform budgeting and accounting act, 1968 PA 2, MCL 141.426 to 141.440.

(6) ~~(4)~~ If an authority ends a fiscal year in a deficit condition, the authority shall file a financial plan to correct the deficit condition in the same manner as provided in section 21(2) of the Glenn Steil state revenue sharing act of 1971, 1971 PA 140, MCL 141.921.

(7) ~~(5)~~ The board may authorize funds of the authority to be invested or deposited in any investment or depository authorized under section 1 of 1943 PA 20, MCL 129.91.