

**THE MANAGEMENT AND BUDGET ACT (EXCERPT)**  
**Act 431 of 1984**

**18.1497 Itemized statement of state spending paid to units of local government and total state spending from state sources; transmittal; calculation of spending proportion; publication of report; reporting amount of additional payments; payment of amount; making up shortfall in payments.**

Sec. 497. (1) The director shall transmit to the auditor general for review and comment, not later than May 31 of each year, an itemized statement of the state spending paid to units of local government and total state spending from state sources for the fiscal year in which this act takes effect, and each fiscal year thereafter, including a calculation of the proportion of state spending paid to units of local government to total state spending from state sources. The report shall be published by submission to the legislature not later than June 30 of each year.

(2) If the proportion calculated pursuant to subsection (1) is less than required by section 349, the statements required by this section shall report the amount of additional payments to units of local government which would have been necessary to meet the requirements of section 349. This amount shall be payable to units of local government not later than in the fiscal year following the fiscal year in which the deficiency in payments to units of local government was ascertained and reported to the legislature.

(3) Any appropriations to the fund which are intended to make up a shortfall in payments to units of local government for a prior fiscal year shall not be considered as state spending from state resources or as state payments to units of local government in the fiscal year in which the amounts are appropriated.

**History:** 1984, Act 431, Eff. Mar. 29, 1985;—Am. 1988, Act 504, Imd. Eff. Dec. 29, 1988.

**Popular name:** Act 431

**Popular name:** DMB