

**SUBSTITUTE FOR  
HOUSE BILL NO. 5566**

A bill to create the Michigan financial review commission act; to provide for the operation of certain commissions; to create funds and accounts; to prescribe the powers and duties of certain commissions, the state treasurer, certain other state officials and state employees, and certain local officials; to provide for the dissolution of certain commissions; and to make certain appropriations.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. This act shall be known and may be cited as the  
2 "Michigan financial review commission act".

3           Sec. 2. The legislature finds and declares the following:

4           (a) It is the public policy of this state to exercise its  
5 sovereign powers with regard to debt issuance and matters of

1 statewide concern in a manner calculated to foster the fiscal  
2 integrity of all municipal governments to assure that those  
3 municipalities provide for the health, safety, and welfare of their  
4 citizens; pay principal and interest owed on debt obligations when  
5 due; meet financial obligations to their existing and former  
6 employees, vendors, and suppliers; and provide for proper financial  
7 planning procedures and budgeting practices. The inability of a  
8 municipal government to provide essential services to its citizens  
9 as a result of fiscal emergencies is determined to affect adversely  
10 the health, safety, and welfare of not only that municipality's  
11 citizens, but also other citizens of this state.

12 (b) The police and fire retirement system of certain qualified  
13 cities and the general retirement system of certain qualified  
14 cities are currently underfunded, causing communities across the  
15 state to face higher costs to borrow and invest funds, and have  
16 caused bondholders, bond insurers, and financial institutions  
17 anxiety over the financial health of not only certain qualified  
18 cities, but communities across this state.

19 (c) Absent prospective state oversight over qualified cities,  
20 there exists a threat of increased costs in borrowing, reductions  
21 in credit or bond ratings, reduced faith from existing creditors of  
22 municipalities and of this state, and dire financial circumstances  
23 from which this state and its political subdivisions may never  
24 fully recover.

25 (d) Qualified cities have complex budgetary and fiscal needs,  
26 significant and complicated debt management issues, and financial  
27 assets and liabilities that impact, both positively and negatively,

1 every unit of local government in this state and this state itself  
2 such that reasonable and balanced state oversight over qualified  
3 cities is required as a reasonable exercise of this state's power  
4 for the benefit of residents throughout this state.

5 (e) There are numerous residents of this state who have  
6 accrued pension benefits from a qualified city's pension systems,  
7 and those pensioners may reside throughout this state. The  
8 settlement of bankruptcy cases involving qualified cities is likely  
9 to have a substantial positive impact statewide.

10 (f) Establishing a commission and execution by the commission  
11 of its powers granted under this act fulfill in all respects a  
12 public and governmental purpose for the benefit of the people of  
13 this state.

14 (g) Ongoing fiscal oversight over qualified cities is a  
15 reasonable and sufficiently narrow regulation and serves a  
16 significant and legitimate public purpose because it inures to the  
17 benefit of all of this state's residents and aids in the remedy of  
18 a broad and general social problem.

19 (h) Fiscal oversight over qualified cities will ensure that  
20 those cities do not engage in the financial practices that led to  
21 financial emergencies and insolvency, and ultimately, entry into  
22 receivership and bankruptcy, which will ensure that those cities  
23 can provide basic and essential municipal services to their  
24 residents.

25 Sec. 3. As used in this act:

26 (a) "Applicable contract" means a contract for goods or  
27 services proposed or entered into by a qualified city that either

1 exceeds \$750,000.00, or a higher amount as determined by the  
2 commission, or is for a term exceeding 2 years. Applicable contract  
3 also includes multiple contracts for less than \$750,000.00, or the  
4 higher amount determined by the commission, with 1 entity that, in  
5 the aggregate, exceed \$750,000.00, or a higher amount as determined  
6 by the commission, within a 12-month period.

7 (b) "Federal bankruptcy code" means the federal bankruptcy  
8 code, 11 USC 101 to 1532.

9 (c) "Financial review commission" or "commission" means a  
10 financial review commission created in section 4.

11 (d) "Operating expenses" means the reasonable operating  
12 expenses of the commission, including without limitation the cost  
13 of preparing accounting and other reports, costs of commission  
14 meetings or other required activities of the commission, counsel  
15 fees, including fees of the attorney general, and fees and expenses  
16 incurred for consultants and fiduciaries required to carry out the  
17 purposes of this act.

18 (e) "Person" means an individual, corporation, limited or  
19 general partnership, association, joint venture, limited liability  
20 company, a governmental entity, including this state.

21 (f) "Plan for adjustment" means the plan for the adjustment of  
22 debts of a qualified city approved and entered by a United States  
23 bankruptcy court under chapter 9 of title 11 of the United States  
24 Code, 11 USC 901 to 946.

25 (g) "Professional services" means services that require a high  
26 degree of intellectual skill, an advanced degree, or professional  
27 licensing or certification. Those providing the professional

1 services are distinguished based on their specialized knowledge,  
2 experience, and expertise. Professional services include, but are  
3 not limited to, accounting, actuarial, appraisal, auditing,  
4 investment advisor, and legal services.

5 (h) "Qualified city" means a city with a population of more  
6 than 600,000 that is subject to a plan for adjustment.

7 (i) "State treasurer" means the treasurer of this state or his  
8 or her designee who shall be designated by a written instrument  
9 signed by the state treasurer and maintained in a permanent file  
10 and whose signature shall have the same force and effect as the  
11 signature of the state treasurer for all purposes under this act.

12 Sec. 4. A financial review commission is created within the  
13 department of treasury for each qualified city. Except as otherwise  
14 provided in this act, a commission shall exercise its powers,  
15 duties, functions, and responsibilities under this act  
16 independently of the state treasurer. The budgeting, procurement,  
17 personnel, and related management functions of a commission shall  
18 be performed under the direction and supervision of the state  
19 treasurer.

20 Sec. 5. (1) Each commission shall consist of the following 9  
21 members:

22 (a) The state treasurer, who shall serve for the duration of  
23 his or her term of office.

24 (b) The director of the department of technology, management,  
25 and budget or successor agency, or his or her designee, who shall  
26 serve for the duration of his or her term of office.

27 (c) Three members appointed by the governor who have

1 knowledge, skill, or experience in the field of business or finance  
2 and who shall possess knowledge, training, skill, or experience in  
3 budgeting, revenue forecasting, debt management or borrowing,  
4 actuarial science, law, or business operations, at least 1 of whom  
5 is a resident of that qualified city, and at least 1 of whom is a  
6 resident of this state who is not a resident of a qualified city.

7 (d) The mayor or chief executive officer of that qualified  
8 city, or his or her designee, who shall serve for the duration of  
9 the mayor's or chief executive officer's term of office.

10 (e) One member appointed by the governor from a list of 3 or  
11 more individuals nominated by the senate majority leader who have  
12 knowledge, skill, or experience in the field of business or  
13 finance, and who shall possess knowledge, training, skill, or  
14 experience in budgeting, revenue forecasting, debt management or  
15 borrowing, actuarial science, law, or business operations, and 1 of  
16 whom is a resident of that qualified city.

17 (f) One member appointed by the governor from a list of 3 or  
18 more individuals nominated by the speaker of the house of  
19 representatives who have knowledge, skill, or experience in the  
20 field of business or finance, and who shall possess knowledge,  
21 training, skill, or experience in budgeting, revenue forecasting,  
22 debt management or borrowing, actuarial science, law, or business  
23 operations, and 1 of whom is a resident of that qualified city.

24 (g) The president or chairperson of the qualified city's  
25 governing body or his or her designee, who shall serve for the  
26 duration of the president's or chairperson's term of office.

27 (2) The appointed members shall serve for a term of 4 years,

1 except that of the 5 members first appointed, the appointees of the  
2 governor shall serve a term of 1, 2, and 4 years respectively, the  
3 appointee of the governor who was nominated by the speaker of the  
4 house of representatives shall serve a term of 2 years, and the  
5 appointee of the governor who was nominated by the senate majority  
6 leader shall serve a term of 3 years. Appointed members serve at  
7 the pleasure of, and may be removed by, their respective appointing  
8 official.

9 (3) Members of a commission shall serve without compensation  
10 but may receive reasonable reimbursement for necessary travel and  
11 expenses incurred in the discharge of their official duties.

12 (4) The state treasurer or his or her designee shall serve as  
13 chairperson of a commission.

14 (5) A majority of the members of the commission shall  
15 constitute a quorum of the commission for the transaction of  
16 business. The commission shall meet no less than monthly and at  
17 times and places designated by the chairperson. Actions of the  
18 commission shall be approved by a majority of the members.

19 (6) The commission shall conduct its business at public  
20 meetings in compliance with the open meetings act, 1976 PA 267, MCL  
21 15.261 to 15.275. However, members of the commission may attend and  
22 participate in a meeting of the commission by the use of  
23 telecommunication or other electronic equipment if their attendance  
24 and participation by the use of telecommunication or other  
25 electronic equipment is authorized by the bylaws of the commission  
26 and that meeting is otherwise conducted in compliance with the open  
27 meetings act, 1976 PA 267, MCL 15.261 to 15.275.

1 (7) A writing prepared, owned, used, in the possession of, or  
2 retained by the commission in the performance of an official  
3 function is subject to the freedom of information act, 1976 PA 442,  
4 MCL 15.231 to 15.246.

5 (8) The commission shall adopt bylaws for governance of the  
6 commission, which shall, at a minimum, address the procedures for  
7 conducting meetings, including voting procedures, and the  
8 requirements of its members to attend meetings. Procedural rules  
9 required by this section are not subject to the administrative  
10 procedures act of 1969, 1969 PA 306, MCL 24.201 to 24.328.

11 (9) The commission may contract for professional services, as  
12 it requires, and shall determine the qualifications it considers  
13 necessary.

14 (10) The members of the commission and contractors or agents  
15 of the commission are subject to 1968 PA 317, MCL 15.321 to 15.330,  
16 and 1968 PA 318, MCL 15.301 to 15.310.

17 (11) A member of the commission, and any person the commission  
18 contracts with, shall discharge the duties of his or her position  
19 in a nonpartisan manner, with good faith, and with that degree of  
20 diligence, care, and skill that an ordinarily prudent person would  
21 exercise under similar circumstances in a like position. The  
22 commission shall adopt an ethics policy governing the conduct of  
23 commission members and officers and employees of the commission.

24 (12) Commission members shall take and subscribe to the  
25 constitutional oath of office under section 1 of article XI of the  
26 state constitution of 1963. The oath shall be filed with the  
27 secretary of state.



1           Sec. 6. (1) The commission shall provide oversight for a  
2 qualified city beginning on the effective date of the plan for  
3 adjustment or of this act, whichever is later.

4           (2) The commission shall ensure that the qualified city is  
5 complying with the terms and conditions of this act and of the plan  
6 for adjustment, if applicable. Except as otherwise provided in  
7 section 8, the commission shall by October 1 each year certify that  
8 the qualified city is in substantial compliance with the provisions  
9 of this act.

10           (3) The commission shall ensure that, where applicable, a  
11 qualified city complies with the provisions of all of the following  
12 and may request verification of compliance:

13           (a) Section 8 of the publicly funded health insurance  
14 contribution act, 2011 PA 152, MCL 15.568.

15           (b) Sections 4i, 4p, 4s, and 4t of the home rule city act,  
16 1909 PA 279, MCL 117.4i, 117.4p, 117.4s, and 117.4t.

17           (c) The revised municipal finance act, 2001 PA 34, MCL  
18 141.2101 to 141.2821.

19           (d) The uniform budgeting and accounting act, 1968 PA 2, MCL  
20 141.421 to 141.440a.

21           (4) During the period of oversight, the commission shall  
22 review and approve that qualified city's 4-year financial plan  
23 required by section 4t of the home rule city act, 1909 PA 279, MCL  
24 117.4t. A 4-year financial plan described in this subsection shall  
25 be submitted at least 100 days prior to the commencement of a  
26 qualified city's fiscal year. The commission shall approve or  
27 disapprove the 4-year financial plan within 30 days of receipt. If

1 disapproved, the commission shall provide rationale in writing for  
2 disapproval and a qualified city shall submit a revised plan within  
3 15 days that comports with the commission's rationale for  
4 rejection. The commission shall approve or disapprove that revised  
5 plan within 15 days. The commission may also require adjustments to  
6 the financial plan to modify expenditures to satisfy debt service,  
7 adjust projected revenues to comply with financial controls or  
8 accounting practices, and reduce expenditures to conform to  
9 consensus revenue estimates if required in section 7 to comply with  
10 the provisions of section 4t of the home rule city act, 1909 PA  
11 279, MCL 117.4t. If the qualified city fails to submit an  
12 acceptable financial plan, the commission may adopt and impose upon  
13 the qualified city a financial plan satisfying the requirements of  
14 this act and section 4t of the home rule city act, 1909 PA 279, MCL  
15 117.4t, until that time as the qualified city submits an acceptable  
16 financial plan.

17 (5) Subject to a plan for adjustment and any collective  
18 bargaining agreements still in effect, the commission shall  
19 establish and maintain programs and requirements for the  
20 responsible fiscal management of that qualified city. The  
21 commission's programs and requirements shall include all of the  
22 following:

- 23 (a) Increased managerial accountability.
- 24 (b) The streamlining of the provision of city services.
- 25 (c) Improved collection of outstanding tax revenues.
- 26 (d) Review of the compensation and benefits of city employees  
27 and recommendation of adjustments where necessary.

1           (6) Notwithstanding any charter provision or local ordinance  
2 to the contrary, all applicable contracts are subject to review and  
3 approval by the commission. The commission may consider a number of  
4 factors when reviewing an applicable contract, including whether  
5 the applicable contract was subject to a competitive bid process.  
6 Only applicable contracts that are first approved by the governing  
7 body and mayor of a qualified city as required by law, charter,  
8 ordinance, or policy are subject to review by the commission. If an  
9 applicable contract is not rejected by the commission within 30  
10 days of its submission, that applicable contract shall be  
11 considered approved by the commission.

12           (7) A qualified city, when required by the commission, shall  
13 present written reports regarding its financial stability and shall  
14 permit the commission to audit or inspect financial statements,  
15 actuarial reports, revenue estimates, and any and all other  
16 documents, data, reports, or findings that the commission considers  
17 necessary to carry out its purpose under this act. The commission  
18 may require that qualified city's chief financial officer to  
19 certify in writing the accuracy of any documents the commission  
20 requests.

21           (8) The commission shall, on June 1 and December 1 of each  
22 year in which the commission has oversight over a qualified city,  
23 file a written report with the governor. A copy of the report shall  
24 be submitted to the senate majority leader and the speaker of the  
25 house of representatives and posted on the department of treasury  
26 website. A copy of the report shall be sent to the mayor and  
27 governing body of the qualified city.

1           (9) Except as otherwise provided in this subsection, the  
2 commission shall approve all collective bargaining agreements,  
3 including any addendums to those agreements, to which that  
4 qualified city is a party after approval by the governing body and  
5 mayor of the qualified city as required by charter or law. The  
6 commission shall approve or reject collective bargaining agreements  
7 submitted to it within 45 days of submission. Collective bargaining  
8 agreements submitted to the commission shall not be executed unless  
9 and until the commission approves those agreements. Collective  
10 bargaining agreements approved by an emergency manager appointed  
11 under section 12 of the local financial stability and choice act,  
12 2012 PA 436, MCL 141.1552, shall not be subject to commission  
13 approval under this subsection.

14           (10) The commission may file supplementary information  
15 relating to the financial condition of the qualified city with an  
16 arbitration panel in arbitration proceedings in which the qualified  
17 city is a party pursuant to 1969 PA 312, MCL 423.231 to 423.247.

18           (11) The mayor, governing body, and chief financial officer of  
19 a qualified city shall, at least 45 days prior to the beginning of  
20 each fiscal quarter, certify in writing to the commission the  
21 amount of debt service due on bonds, leases, or other municipal  
22 debt. A qualified city shall specifically report debt service  
23 requirements, calculated through final maturity, and certify its  
24 ability to meet those requirements through the end of the current  
25 fiscal year.

26           Sec. 7. A commission may do 1 or more of the following for its  
27 qualified city:

1 (a) Review and approve that qualified city's consensus revenue  
2 estimate under section 4t of the home rule city act, 1909 PA 279,  
3 MCL 117.4t. The commission may also, after consultation with the  
4 qualified city, revise a revenue estimate prepared in connection  
5 with a budget, budget modification, financial plan, or financial  
6 plan modification, if the commission determines that the revenue  
7 estimate was not based on assumptions and methods of estimation  
8 reasonable and appropriate under the circumstances and in view of  
9 the objectives and purposes of this act. After consultation with  
10 the qualified city, the commission may determine the estimated  
11 revenues for the qualified city, but any revenue estimate adopted  
12 by the commission shall be based on the same requirements as the  
13 qualified city's initial revenue estimate.

14 (b) Require a qualified city to submit the 4-year financial  
15 plan required in section 4t of the home rule city act 1909 PA 279,  
16 MCL 117.4t, in a form and manner the commission considers  
17 appropriate. The requirement to submit a 4-year financial plan is  
18 not subject to waiver under section 8.

19 (c) Review, modify, and approve proposed and amended  
20 operational budgets of a qualified city. A proposed budget or  
21 budget amendment does not take effect unless approved by the  
22 commission.

23 (d) Require the chief financial officer of the qualified city  
24 to provide the commission with information it requests related to  
25 the qualified city's finances. The commission may also require the  
26 chief financial officer to attend commission meetings. If the chief  
27 financial officer fails to comply with the provisions of this

1 subdivision, the commission may require the qualified city to  
2 remove the chief financial officer and appoint a successor.

3 (e) Review and approve requests by a qualified city to issue  
4 debt under the revised municipal finance act, 2001 PA 34, MCL  
5 141.2101 to 141.2821, or any other law governing the issuance of  
6 bonds or notes. The commission may develop rules for the issuance  
7 of debt, including limitations that are greater than those provided  
8 in sections 401 to 405 of the revised municipal finance act, 2001  
9 PA 34, MCL 141.2401 to 141.2405. The debt described in this  
10 subdivision may not be issued unless and until approved by the  
11 commission and the commission's approval shall be in addition to  
12 any approval of the department of treasury as required by law.

13 (f) Review compliance by a qualified city with a deficit  
14 elimination plan submitted under section 21 of the Glenn Steil  
15 state revenue sharing act of 1971, 1971 PA 140, MCL 141.921.

16 (g) Approve the appointment of a qualified city's chief  
17 financial officer. If that appointment is not approved by the  
18 commission within 45 days of written submission of the appointment  
19 by the qualified city, the appointment is denied. The commission  
20 may require that any effort to terminate the chief financial  
21 officer be subject to commission review and approval.

22 (h) Require the development and implementation of financial  
23 best practices for a qualified city.

24 (i) Recommend the adoption or amendment of certain charter  
25 provisions, bylaws, ordinances, policies, or operating procedures  
26 for the qualified city.

27 (j) Require the pursuit of financial or managerial training to

1 ensure the proper discharge of duties for the qualified city.

2 (k) Make and execute contracts necessary to carry out the  
3 purposes of this act.

4 (l) Sue or be sued. The commission may retain legal counsel to  
5 enforce any provisions of this act.

6 (m) Require the qualified city and the employees or agents of  
7 the qualified city to timely produce and share all information and  
8 documents, and provide access to all information on assets,  
9 services, records, and any other materials or documents the  
10 commission determines are necessary to carry out its  
11 responsibilities under this act. The commission may require the  
12 officers or employees of the qualified city to attend commission  
13 meetings for any purpose necessary to carry out its  
14 responsibilities under this act.

15 (n) Perform any duty provided by law that a receivership  
16 transition advisory board as described in section 23 of the local  
17 financial stability and choice act, 2012 PA 436, MCL 141.1563, may  
18 perform.

19 (o) Perform any other duties assigned by the governor that are  
20 not inconsistent with the purposes of this act.

21 Sec. 8. (1) Notwithstanding section 6, for its qualified city,  
22 a commission shall, by resolution, waive the requirements  
23 designated in sections 6 and 7 as provided in subsection (2).

24 (2) The commission shall grant a waiver under this section for  
25 its qualified city if it certifies that all of the following  
26 conditions are met:

27 (a) The commission certifies that a qualified city has adopted

1 and adhered to deficit-free budgets for 3 consecutive years that  
2 comply with generally accepted accounting principles and are in  
3 accordance with the uniform budgeting and accounting act, 1968 PA  
4 2, MCL 141.421 to 141.440a.

5 (b) The state treasurer and the qualified city's chief  
6 financial officer, if applicable, certify that both of the  
7 following are met:

8 (i) All municipal securities or debt obligations sold by or for  
9 the benefit of that qualified city in the general public market  
10 during the immediately preceding fiscal year and current fiscal  
11 year satisfied the capital and other financial requirements of the  
12 qualified city during that period.

13 (ii) There is a substantial likelihood that municipal  
14 securities or debt obligations can be sold in the general public  
15 market during the remainder of the current fiscal year and the  
16 immediately succeeding fiscal year in amounts sufficient to  
17 substantially satisfy all of the capital and other financial  
18 requirements of the qualified city during those periods in  
19 accordance with the qualified city's financial plan.

20 (c) The qualified city's financial plan projects a balanced  
21 budget for the current and succeeding 3 fiscal years using  
22 generally accepted accounting principles and in accordance with the  
23 uniform budgeting and accounting act, 1968 PA 2, MCL 141.421 to  
24 141.440a, and section 4t of the home rule city act, 1909 PA 279,  
25 MCL 117.4t.

26 (d) The qualified city has demonstrated to the commission's  
27 satisfaction that the qualified city has sufficient ability to



1 borrow in the municipal securities market.

2 (e) The qualified city did not violate the plan for adjustment  
3 in the immediately preceding fiscal year and is not in violation in  
4 the current fiscal year.

5 (f) The state treasurer certifies that the qualified city is  
6 in compliance with the uniform budgeting and accounting act, 1968  
7 PA 2, MCL 141.421 to 141.440a.

8 (g) The commission certifies that the qualified city is in  
9 substantial compliance with this act.

10 (h) The qualified city has established as part of a system of  
11 compensation for employees retirement plans in which the qualified  
12 city contributes no more than 7% of an individual's base pay,  
13 excluding payment for overtime services, 1-time lump-sum payments,  
14 and the cost of fringe benefits, to an employee's retirement  
15 account.

16 (i) The qualified city has implemented a program in which all  
17 contracts awarded by the qualified city are posted on the qualified  
18 city's public website within 30 days of the contract award,  
19 including the identity of the parties to the contract, the dollar  
20 amount of the contract, and a brief description of the goods or  
21 services provided by the contract.

22 (3) The commission shall, by resolution, rescind its waiver  
23 under subsection (2) if it certifies that any of the following,  
24 where applicable, has occurred or that there is a substantial  
25 likelihood that any of the following will imminently occur:

26 (a) The qualified city fails to pay principal of or interest  
27 on any municipal securities when due or payable.

1 (b) The qualified city incurs a budget deficit in a fiscal  
2 year equal to or more than 5% of the total expenditures in that  
3 year based on generally accepted accounting principles.

4 (c) The qualified city issues municipal securities without the  
5 authorization of the commission or in violation of the revised  
6 municipal finance act, 2001 PA 34, MCL 141.2101 to 141.2821.

7 (d) The qualified city violates this act or any mandatory  
8 financial controls in a manner that substantially impairs that  
9 qualified city's ability to pay principal of and interest on  
10 municipal securities when due and payable or its ability to adhere  
11 to a balanced budget.

12 (e) The qualified city violates any provision of the plan for  
13 adjustment, if applicable.

14 (f) The state treasurer and the qualified city's chief  
15 financial officer, if applicable, fail to certify that the criteria  
16 in subsection (2)(b) are met.

17 (g) If the qualified city's chief financial officer has  
18 resigned, been terminated, or been removed, or the office has  
19 otherwise become vacant and a successor has not been appointed  
20 within 180 days of that vacancy.

21 (h) The qualified city has not satisfied the requirements in  
22 subsection (2)(h).

23 (4) If the commission finds that the circumstances under which  
24 it rescinded its waiver of the requirements of sections 6 and 7 as  
25 provided in subsection (3) no longer exist, the commission shall  
26 reverse the rescission as provided in subsection (2).

27 Sec. 10. Each commission, and the carrying out of its

1 authorized purposes under this act, is in all respects a public and  
2 governmental purpose for the benefit of the people of this state  
3 and for the improvement of their health, safety, welfare, comfort,  
4 and security. These purposes are public purposes, and the  
5 commission will be performing an essential governmental function in  
6 the exercise of the powers provided by this act.

7       Sec. 11. For the fiscal year ending September 30, 2014,  
8 \$900,000.00 is appropriated from the general fund/general purpose  
9 to the department of treasury to be expended to provide commissions  
10 with the resources to exercise its powers, duties, and  
11 responsibilities under this act and as required by this state to  
12 enforce this act and the plan for adjustment; to secure  
13 professional services to assist in the implementation of this act;  
14 and for any other purposes that a commission determines in its  
15 discretion are necessary or implied to implement this act.

16       Sec. 12. If a commission has waived the requirements of  
17 sections 6 and 7 under section 8 each year for the immediately  
18 preceding 10 consecutive fiscal years, and the plan for adjustment  
19 has expired, the commission shall, by resolution, dissolve itself.  
20 All property, funds, and assets of the commission, if any, shall be  
21 transferred to and vested in this state.

22       Sec. 13. Each commission is a state commission, and the  
23 members are state officers for the purposes of section 6419 of the  
24 revised judicature act of 1961, 1961 PA 236, MCL 600.6419. The  
25 court of claims shall have exclusive jurisdiction over any and all  
26 actions challenging the validity of this act.