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H.B. 5088 (H-1): FLOOR ANALYSIS

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House Bill 5088 (Substitute H-1 as reported without amendment)

Sponsor: Representative Mike Green House Committee: Local Government Senate Committee: Government Operations

## CONTENT

The bill would amend Public Act 15 of 1851, which prescribes the powers and duties of county boards of commissioners, to allow counties to enter into employment contracts with appointed administrators, and specify some of the contents of a contract.

The bill provides that if a county had an appointed manager, chief administrative officer, or controller, the board of commissioners could enter into an employment contract with the person. The term of the contract could extend beyond the terms of the commissioners but would have to be for three years or less, unless the contract was entered into on or after August 1 of an even-numbered year, in which case it could be for no more than one year. In a charter county, a contract with an appointed chief administrative officer could be for a term of four years.

An employment contract would have to be in writing and specify the compensation amount, any procedure for changing the compensation, any fringe benefits, and other conditions of employment. If the person served at the pleasure of the county board of commissioners, the contract would have to state that and could provide for severance pay or other benefits in the event of termination of employment by the commissioners.

MCL 46.11 Legislative Analyst: G. Towne

## FISCAL IMPACT

Costs would be involved to the extent that counties offered severance pay or other benefits in county managers' employment contracts.

The bill would have no fiscal impact on State government.

Date Completed: 12-11-95 Fiscal Analyst: R. Ross

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