



# SENATE BILL No. 877

February 22, 1996, Introduced by Senator HONIGMAN and referred to the Committee on Local, Urban and State Affairs.

A bill to void any portion of certain agreements to settle claims and lawsuits against this state, certain institutions of higher education, or a local unit of government that contain non-disclosure provisions.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Sec. 1. This act shall be known and may be cited as the  
2 "open government settlement act".

3       Sec. 2. As used in this act,

4       (a) "Institution of higher education" means a college or  
5 university described in section 4, 5, or 6 of article VIII of the  
6 state constitution of 1963 or a community college established  
7 under the community college act of 1966, Act No. 331 of the  
8 Public Acts of 1966, being sections 389.1 to 389.195 of the  
9 Michigan Compiled Laws.

1 (b) "Local unit of government" means a county, city,  
2 village, township, authority created pursuant to state law or  
3 municipal charter, special assessment district, school district,  
4 or municipal board or commission established under state law or  
5 municipal charter.

6 Sec. 3. (1) Except as provided in subsection (2), any por-  
7 tion of an agreement to settle a claim or lawsuit against this  
8 state, a local unit of government, or an institution of higher  
9 education entered into after December 31, 1996, that prohibits  
10 disclosure of the agreement or any terms of the agreement except  
11 for nonfinancial personal information is against public policy  
12 and is void.

13 (2) If a claim or lawsuit described in subsection (1) has  
14 more than 1 claimant or plaintiff, the disclosure of an agreement  
15 to settle the claim or lawsuit may be prohibited until each  
16 plaintiff or claimant has entered an agreement to settle the  
17 claim.