



House Office Building, 9 South
Lansing, Michigan 48909
Phone: 517/373-6466

CENSUS DISPUTE BETWEEN TWO LOCAL GOVERNMENT UNITS

House Bill 5001

Sponsor: Rep. Stephen F. Adamini
Committee: Local Government and
Urban Policy

Complete to 7-23-01

A SUMMARY OF HOUSE BILL 5001 AS INTRODUCED 6-28-01

House Bill 5001 would amend the Glenn Steil State Revenue Sharing Act of 1971 (MCL 141,903) to establish a procedure for resolving certain disputes over population between two units of local government. Specifically, the bill would require the units of government to make a good faith effort to agree to a correct population if they were involved in a dispute related to the total number of persons committed to or domiciled in an institution located in either of those units. If they failed to agree by resolution to a correct count, the county clerk would determine the correct count. In either case, the count would be used for revenue sharing distributions until a new federal or special census as provided by law, whichever came first, was conducted and the results were certified and published or until a federal census correction was published. Population counts agreed to or determined on or before August 1 of any year would become effective for distributions made on or before the immediately preceding October 1. If two disputing local units of government agreed by resolution to a correct population count before July 1 of any year, either unit could request that the county clerk review the count before August 1 of that year. If the county clerk made a determination of a correct count different than the count agreed upon by resolution, the resolutions would be void and the county clerk's determination would become effective for distributions made on and after the immediately preceding October 1.

Currently, the law states that corrections to the statewide federal census that are published by the federal census bureau "and that occur during the period July 1, and ending June 30" become effective for the purpose of revenue distributions on the next July 1. The law also defines "rate" as "a figure determined each May 15 by the Department of Management and Budget pursuant to this act from applicable tax data for the preceding calendar year as reported to it by the Department of Treasury and applicable to payments made during the succeeding period of July 1 to June 30." The bill would specify that any corrections to the statewide federal census that were published by the federal census bureau on or before September 30 of any year would become effective for the purpose of revenue distributions on the "next succeeding October 1." The bill would direct the treasury department to determine the rate each August 15 and would specify that the rate would be applicable to payments made during the succeeding period of October 1 to September 30.

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Finally, the bill would direct the treasury department—rather than the Department of Management and Budget—to calculate overpayments or underpayments made to local units of government and to make adjustments in future distributions to the unit to correct the overpayments or underpayments of revenue, when population data is updated.

Analyst: J. Caver

■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.